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PREFACE

The publication *Foreign Relations of the United States* constitutes the official record of the foreign policy of the United States. The volumes in the series include, subject to necessary security considerations, all documents needed to give a comprehensive record of the major foreign policy decisions of the United States together with appropriate materials concerning the facts which contributed to the formulation of policies. Documents in the files of the Department of State are supplemented by papers from other government agencies involved in the formulation of foreign policy.

The basic documentary diplomatic record printed in the volumes of the series *Foreign Relations of the United States* is edited by the Office of the Historian, Bureau of Public Affairs, Department of State. The editing is guided by the principles of historical objectivity and in accordance with the following official guidance first promulgated by Secretary of State Frank B. Kellogg on March 26, 1925.

> There may be no alteration of the text, no deletions without indicating where in the text the deletion is made, and no omission of facts which were of major importance in reaching a decision. Nothing may be omitted for the purpose of concealing or glossing over what might be regarded by some as a defect of policy. However, certain omissions of documents are permissible for the following reasons:
>
> *a*. To avoid publication of matters which would tend to impede current diplomatic negotiations or other business.
>
> *b*. To condense the record and avoid repetition of needless details.
>
> *c*. To preserve the confidence reposed in the Department by individuals and by foreign governments.
>
> *d*. To avoid giving needless offense to other nationalities or individuals.
>
> *e*. To eliminate personal opinions presented in despatches and not acted upon by the Department. To this consideration there is one qualification—in connection with major decisions it is desirable, where possible, to show the alternative presented to the Department before the decision was made.

Documents selected for publication in the *Foreign Relations* volumes are referred to the Department of State Classification/Declassification Center for declassification clearance. The Center reviews the documents, makes declassification decisions, and obtains the clearance of geographic and functional bureaus of the Department of State, as well as of other appropriate agencies of the government. The Center, in coordination with the geographic bureaus of the Department of State, conducts communications with foreign governments regarding documents or information of those governments proposed for inclusion in *Foreign Relations* volumes.

This volume was initially prepared under the general supervision of Fredrick Aandahl and, at a later stage, of William Z. Slany, his successor as General Editor of the *Foreign Relations* series. John P. Glennon, Charles S. Sampson, and William F. Sanford, Jr., assisted in final preparation. Neal H. Petersen was responsible for the planning, review, and editing of the volume. Mr. Petersen compiled the documentation on the President's Committee on International Information Activities and collaborated with Lisle A. Rose in the preparation of the documentation on atomic energy and regulation of armaments. Mr. Rose prepared the compilations on national security policy and the foreign information program.

Rita M. Baker of the Publishing Services Division (Paul M. Washington, Chief) performed the technical editing under the supervision of Margie R. Wilber. The index was prepared by the Twin Oaks Indexing Collective.

WILLIAM Z. SLANY
The Historian
Bureau of Public Affairs

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Department of State

A/MS Files, Lot 54 D 291

Consolidated administrative files of the Department of State for the years 1949–1960, as maintained by the Management Staff of the Bureau of Administration.

Atomic Energy Files, Lot 57 D 688

Consolidated collection of documentation in the Department of State on atomic energy policy for the years 1944–1962, as maintained principally by the Special Assistant to the Secretary of State on Atomic Energy Affairs but also by other offices of the Department of State.

CON Files, Lot 53 D 223

Files of the Office of Security and Consular Affairs from 1946 to 1953. Includes general administrative records, consular management files and miscellaneous subject files of divisional components of the office.

Conference Files, Lot 60 D 627

Collection of documentation on official visits by heads of government and foreign ministers to the United States and on major international conferences attended by the Secretary of State for the period 1953–1955, as maintained by the Executive Secretariat of the Department of State.

Disarmament Files, Lot 58 D 133

Consolidated collection of documentation in the Department of State on the regulation of armaments and disarmament for the years 1942–1962.

INR Files

Files retained by the Bureau of Intelligence and Research.

INR Files, Lot 59 D 27

Miscellaneous files for the years 1948–1954 as retired by the Bureau of Intelligence and Research including master file of minutes of the Intelligence Advisory Committee (IAC).

IO Files, Lot 60 D 463

Official United Nations documentation for the years 1946–1956, as maintained in the Bureau of International Organization Affairs.

IO Files, Lot 71 D 440

Master files of classified records and correspondence of United States Delegations to sessions of the United Nations General Assembly for the years 1945-1965, maintained by the Bureau of International Organization Affairs.

OCB Files, Lot 62 D 430

Master files of the Operations Coordinating Board for the years 1953-1960, as maintained by the Executive Secretariat of the Department of State.

PPS Files, Lot 64 D 563

Master file of documents, drafts, records of meetings, memoranda, and related correspondence for the years 1947-1953 of the Policy Planning Staff.

PPS Files, Lot 65 D 101

Master file of documents, drafts, records of meetings, memoranda, and related correspondence for the year 1954 of the Policy Planning Staff.

PSB Files, Lot 62 D 333

Master file of minutes and papers of the Psychological Strategy Board for the years 1951-1953, as maintained by the Executive Secretariat of the Department of State.

Presidential Correspondence, Lot 66 D 204

Exchanges of correspondence between the President and the heads of foreign governments for the years 1953-1964, as maintained by the Executive Secretariat of the Department of State.

S/AE Files, Lot 68 D 358

Files relating to atomic energy policy matters for the years 1950-1967, maintained initially by the Office of the Special Assistant to the Secretary of State on Atomic Energy Affairs and later by the Office of Deputy Assistant Secretary of State for Politico-Military Affairs.

Secretary's Daily Meetings, Lot 58 D 609

Chronological collection of the records of the Secretary of State's daily meetings with top Department of State officials for the years 1949-1952, as maintained by the Special Assistant to the Secretary of State.

Secretary's Letters, Lot 56 D 459

Correspondence of the Secretary of State for the years 1945-1956, as maintained by the Executive Secretariat.

Secretary's Memoranda of Conversation, Lot 64 D 199

Chronological collections of the Secretary of State's memoranda of conversation and the Under Secretary of State's memoranda of conversation for the years 1953-1960, as maintained by the Executive Secretariat of the Department of State.

S/P-NSC Files, Lot 61 D 167

Serial file of memoranda relating to National Security Council questions for the years 1950-1961, as maintained by the Policy Planning Staff.

S/P-NSC Files, Lot 62 D 1

Serial and subject master file of National Security Council documents and correspondence for the years 1948-1961, as maintained by the Policy Planning Staff.

S/S-NSC Files, Lot 63 D 351

Serial master file of National Security Council documents and correspondence and related Department of State memoranda for the years 1947-1961, as maintained by the Executive Secretariat of the Department of State.

S/S-NSC (Miscellaneous) Files, Lot 66 D 95

Administrative and miscellaneous National Security Council documentation, including NSC Records of Action, as maintained by the Executive Secretariat of the Department of State for the years 1947-1963.

S/S-NSC Files, Lot 66 D 148

Miscellaneous files concerning subjects considered by the National Security Council during the period 1949-1962, as maintained by the Executive Secretariat of the Department of State.

State-JCS Meetings, Lot 61 D 417

Top secret records of meetings between representatives of the Department of State and the Joint Chiefs of Staff for the period 1951-1959 and selected problem files on the Middle East for the period 1954-1956, as maintained by the Executive Secretariat of the Department of State.

USUN Files

Files of the United States Mission at the United Nations.

United States Department of Energy

Atomic Energy Commission Files

Files of the United States Atomic Energy Commission, retained by the U.S. Department of Energy.

United States Information Agency

USIA Files, Lot 56 D 581

Miscellaneous files of the United States Information Agency.

USIA Files, Lot 60 D 322

Chronological files of the Director of USIA for the period of the 1950s.

Dwight D. Eisenhower Library, Abilene, Kansas

Dulles Papers

Papers of John Foster Dulles, 1952-1959. Dulles was Secretary of State, 1953-1959.

Eisenhower Papers, Whitman File

Papers of Dwight D. Eisenhower as President of the United States, 1953-1961, maintained by his personal secretary, Ann C. Whitman. The Whitman File includes the following elements: The Name Series, the Dulles-Herter Series, Eisenhower Diaries, Ann Whitman (ACW) Diaries, National Security Council

Records, Miscellaneous Records, Cabinet Papers, Legislative Meetings, International Meetings, the Administration Series, and the International File.

Eisenhower Records

Records of Dwight D. Eisenhower as President of the United States, 1953-1961 (White House Central Files), including the daily appointment books of the President.

C.D. Jackson Papers

The papers of C.D. Jackson, 1931-1967. Jackson was Special Assistant to the President, 1953-1954.

Project "Clean Up"

Project "Clean Up" collection. Records of Gordon Gray, Robert Cutler, Henry R. McPhee, and Andrew J. Goodpaster, 1953-1961.

Staff Secretary Records

Records of the Office of the Staff Secretary, 1952-1961 (records of Paul T. Carroll, Andrew J. Goodpaster, L. Arthur Minnich, Jr., and Christopher H. Russell).

Harry S. Truman Library, Independence, Missouri

Truman Papers, President's Secretary's File (PSF)

Papers of Harry S. Truman as President, 1945-1953, maintained by his personal secretary.

Princeton University Library, Princeton, New Jersey

Dulles Papers

Papers of John Foster Dulles, including a daily log of his meetings and appointments as Secretary of State, 1953-1959.

LIST OF ABBREVIATIONS AND SYMBOLS

Editor's Note—This list does not include standard abbreviations in common usage; unusual abbreviations of rare occurrence which are clarified at appropriate points; and those abbreviations and contractions which, although uncommon, are understandable from the context.

A, Office of the Assistant Secretary of State for Administration
ADCOM, Advisory Commission (or Committee)
AE, atomic energy
AEC, Atomic Energy Commission
AFN, Armed Forces Network
A/FS, Director General, Foreign Service, Department of State
A/MS, Management Staff, Department of State
ANZUS, Australia, New Zealand, United States
ARA, Bureau of Inter-American Affairs, Department of State
ARA/P, Public Affairs Adviser, Bureau of Inter-American Affairs, Department of State
BBC, British Broadcasting Corporation
BNA, Office of British Commonwealth and Northern European Affairs, Department of State
BW, biological warfare
CA, Office of Chinese Affairs, Department of State
CEA, Council of Economic Advisers
CEV, Churchill-Eden visit
CIA, Central Intelligence Agency
COMINT, Communications Intelligence
CON, Office of Security and Consular Affairs, Department of State
CPC, Combined Policy Committee
CS, Division of Central Services, Bureau of Administration, Department of State
CSC, Coal and Steel Community
CW, chemical warfare
DAC, Interdepartmental Working Group on Disarmament
DC, United Nations Disarmament Commission
Delga, series indicator for telegrams from the United States Delegation at the United Nations General Assembly
Depcirtel, Department of State circular telegram
Deptel, Department of State telegram
DMPA, Defense Materials Procurement Agency
DMS, Director for Mutual Security
DOD, Department of Defense
Dulte, primarily a series indicator for telegrams from Secretary of State Dulles while absent from Washington; also used as a series indicator for telegrams to Dulles from the head of the United States delegation at an international conference
ECA, Economic Cooperation Administration
ECOSOC, Economic and Social Council of the United Nations
ECSC, European Coal and Steel Community
EDC, European Defense Community
EPC, European Political Community
EUCOM, European Command
EUR, Bureau of European Affairs, Department of State
FBI, Federal Bureau of Investigation
FBO, Office of Foreign Buildings Operations, Department of State
FCDA, Federal Civil Defense Administration
FE, Bureau of Far Eastern Affairs, Department of State
FECOM, Far East Command
FE/P, Public Affairs Adviser, Bureau of Far Eastern Affairs, Department of State
FI, Foreign Service Inspection Corps, Department of State
FOA, Foreign Operations Administration
FY, fiscal year
FYI, for your information

G, Office of the Deputy Under Secretary of State

G–2, Army general staff section dealing with intelligence at the divisional level or higher

G/PM, Office of the Deputy Assistant Secretary of State for Politico-Military Affairs

GA, General Assembly of the United Nations

Gadel, series indicator for telegrams to the United States Delegation at the United Nations General Assembly

GER, Bureau (from 1953, Office) of German Affairs, Department of State

GER/P, Public Affairs Adviser, Bureau (from 1953, Office) of German Affairs, Department of State

GSA, General Services Administration

H, Office of the Assistant Secretary of State for Congressional Relations

HICOG, United States High Commissioner for Germany

IAC, Intelligence Advisory Committee

IAEA, International Atomic Energy Agency

IAE/S, Departmental Staff, Commission on Educational Exchange, United States International Information Administration

IBRD, International Bank for Reconstruction and Development

IBS, International Broadcasting Service

ICIS, Interdepartmental Committee on Internal Security

ICS, Information Center Service

IE, Intelligence Estimate (Department of State)

IFI, Field Programs, United States International Information Administration

IIA, International Information Administration

IIA:IPO, Office of Policy and Plans, United States International Information Administration

IIC, Interdepartmental Intelligence Conference

IMS, International Motion Picture Service

IO, Bureau of International Organization Affairs, Department of State

JAEIC, Joint Atomic Energy Intelligence Committee

JCAE, Joint Committee on Atomic Energy

JCS, Joint Chiefs of Staff

JIC, Joint Intelligence Committee

KT, kilotons

L, Office of the Legal Adviser, Department of State

LOC, line of communication

L/P, Assistant Legal Adviser for Public Affairs, Department of State

L/UNA, Assistant Legal Adviser for United Nations Affairs, Department of State

MDAP, Mutual Defense Assistance Program

MGB, Ministerstvo Gosudarstvennoi Bezopasnosti (Ministry for State Security of the Soviet Union)

MSA, Mutual Security Agency

MVD, Ministerstvo Vnutrennykh Del' (Ministry of the Interior of the Soviet Union)

NAO, New York Administrative Office, United States International Information Agency

NATO, North Atlantic Treaty Organization

NCFE, National Committee for a Free Europe

NEA, Bureau of Near Eastern, South Asian, and African Affairs, Department of State

NEA/P, Public Affairs Adviser, Bureau of Near Eastern, South Asian, and African Affairs, Department of State

niact, night action, communications indicator requiring attention by the recipient at any hour of the day or night

NIE, National Intelligence Estimate

NSC, National Security Council

NSRB, National Security Resources Board

OBF, Office of Budget and Finance, Department of State

OCB, Operations Coordinating Board

ODM, Office of Defense Mobilization

OEEC, Organization for European Economic Cooperation

OII, Office of International Information, Bureau of Public Affairs, Department of State

OIR, Office of Intelligence Research, Department of State

OM, operations memorandum

ONI, Office of Naval Intelligence

OOF, Office of Operating Facilities, Department of State

OSD, Office of the Secretary of Defense

OWI, Office of War Information

P, Bureau of Public Affairs, Department of State

PAO, Public Affairs Officer

PER, Office of Personnel, Department of State
POC, Psychological Operations Coordinating Committee
POW, prisoner of war
PPS, Policy Planning Staff, Department of State
PRS, Program Planning and Evaluation Staff, Department of State
PSB, Psychological Strategy Board
PSF, President's Secretary's File (Truman Papers, Truman Library)
PWR, pressurized water reactor
RAC, Executive Committee on Regulation of Armaments
reftel, reference telegram
REP, Division of Foreign Reporting, Department of State
RFA, Radio Free Asia
RFC, Reconstruction Finance Corporation
RFE, Radio Free Europe
RIAS, Radio in the American sector of Berlin
ROK, Republic of Korea
RW, Radiological warfare
S/AE, Office of the Special Assistant (after May 1954, Consultant) to the Secretary of State for Atomic Energy Affairs
S/IAE, Office of the United States Representative for International Atomic Energy Negotiations
S/P, Policy Planning Staff, Department of State
S/S, Executive Secretariat, Department of State
S/S-S, Committee Secretariat Staff, Executive Secretariat, Department of State
SAC, Strategic Air Command
SACEUR, Supreme Allied Commander, Europe
SC, Security Council of the United Nations
SD-MICC (SD-MIC), State-Defense Military Information Control Committee
SE, Special Estimate
SHAPE, Supreme Headquarters, Allied Powers, Europe
SY, Division of Security, Bureau of Administration, Department of State to June 1953; thereafter, Office of Security, Bureau of Security and Consular Affairs
SYG, Secretary-General
TAC, Tactical Air Command
TC, Division of Language Services, Department of State
TCA, Technical Cooperation Administration, Department of State
Tedul, primarily a series indicator for telegrams to Secretary of State Dulles while absent from Washington; also used as a series indicator for telegrams from Dulles to the head of the United States Delegation at an international conference
Tousi, series indicator for telegrams to the United States Information Agency from posts abroad
U, Office of the Under Secretary of State
UK, United Kingdom
UNA, Bureau of United Nations Affairs, Department of State
UNA/IC, Division of International Conferences, Bureau of United Nations Affairs, Department of State
UNA/P, United Nations Planning Staff, Bureau of United Nations Affairs, Department of State
UNA/R, Refugees and Displaced Persons Staff, Bureau of United Nations Affairs, Department of State
UNC, United Nations Command
UNDC, United Nations Disarmament Commission
UNESCO, United Nations Educational, Scientific and Cultural Organization
UNGA, United Nations General Assembly
UNP, Office of United Nations Political and Security Affairs, Department of State
USAF, United States Air Force
USCIB, United States Communications Intelligence Board
USDel, United States Delegation
USGS, United States Geological Survey
USIA, United States Information Agency
USIE, United States Information and Education (program)
USIIA, United States International Information Administration
USIS, United States Information Service
Usito, series indicator for telegrams from the United States Information Agency to posts abroad
USUN, United States Mission at the United Nations
VOA, Voice of America

LIST OF PERSONS

Editor's Note—The identification of the persons in this list is generally limited to positions and circumstances under reference in this volume and is confined to the 1952–1954 period. Where no dates are given, the individual usually held the position throughout that period. All titles and positions are American unless otherwise indicated. This list does not include individuals referred to only in passing, although such individuals are sometimes identified in context as their names appear.

Acheson, Dean, Secretary of State until January 20, 1953.

Adams, Sherman, Assistant to the President after January 20, 1953.

Adenauer, Dr. Konrad, Chancellor and Minister of Foreign Affairs of the Federal Republic of Germany.

Allen, Raymond B., Director of the Psychological Strategy Board, January–August 1952.

Allen, Ward P., United Nations Adviser, Bureau of European Affairs, Department of State.

Amory, Robert, Jr., Assistant Director of the Office of Research and Reports, Central Intelligence Agency, from March 17, 1953; Acting Deputy Director for Intelligence from November 6, 1952; Assistant from February 19, 1953; Deputy for Intelligence from May 1953; Member of the Solarium Special Committee, 1953.

Anderson, Robert B., Secretary of the Navy after February 4, 1953; Deputy Secretary of Defense after May 3, 1954.

Arends, Representative Leslie C. (R-Illinois), House Majority Whip, 1953–1954; Member of the Armed Services Committee.

Armstrong, W. Park, Jr., Special Assistant for Intelligence, Department of State.

Arneson, R. Gordon, Special Assistant to the Secretary of State for Atomic Energy Affairs until April 1954.

Arnot, Charles P., Assistant Chief, International Press and Publications Division, United States International Information Agency; Assistant Administrator, International Press Service, after February 14, 1952.

Attlee, Clement R., Prime Minister of the United Kingdom, 1945–1951; thereafter, Leader of the Opposition in the House of Commons.

Austin, Warren R., United States Representative at the United Nations until January 22, 1953.

Bacon, Ruth E., United Nations Adviser, Bureau of Far Eastern Affairs, Department of State.

Barbour, Walworth, Director of the Office of Eastern European Affairs, Department of State; Deputy Assistant Secretary of State for European Affairs after May 26, 1954.

Bechhoefer, Bernhard G., Officer in Charge, International Security Affairs, Department of State, until April 10, 1954; Special Assistant to the United States Representative for International Atomic Energy Negotiations after December 1, 1954.

Becker, Loftis, Deputy Director for Intelligence, Central Intelligence Agency, January 1, 1952–April 30, 1953.

Berding, Andrew H., Assistant Director (Policies and Programs), United States Information Agency, after November 23, 1953.

Bickel, Alexander M., Special Assistant to the Director of the Policy Planning Staff, Department of State, after August 24, 1953.

Bidault, Georges, French Minister of National Defense, 1952; Minister of Foreign Affairs, January 8, 1953–June 19, 1954.

Block, Ralph J., Acting Director, Foreign Policy Information Staff, Department of State; after August 16, 1953, Chief of the General Policy Information Staff, United States Information Agency.

Bloomfield, Lincoln P., Member, United Nations Planning Staff, Bureau of United Nations Affairs, Department of State, 1952–1953; Planning Adviser to the Assistant Secretary of State for United Nations Affairs, 1953; after July 1954, Planning Adviser to the Assistant Secretary of State for International Organization Affairs.

Boggs, Marion W., Coordinator, National Security Council Staff Assistants, 1952; Coordinator, NSC Planning Board Assistants, 1953–1954.

Bohlen, Charles E., Counselor of the Department of State and Member, Senior Staff, National Security Council, until March 1953; Ambassador in the Soviet Union from April 20, 1953.

Bonbright, James C. H., Jr., Deputy Assistant Secretary of State for European Affairs; after April 1954, Special Assistant to the United States Permanent Representative in Europe.

Bonesteel, Brigadier General Charles H., III, USA (Colonel until January 24, 1954), Assistant for National Security Council Affairs, Department of Defense, and Defense Member on the NSC Planning Board after June 1953.

Bonnet, Henri, French Ambassador in the United States.

Bowie, Robert R., Director of the Policy Planning Staff, Department of State, and State Member on the National Security Council Planning Board from May 18, 1953.

Bracken, Thomas E., Assistant Legal Adviser for Public Affairs, Department of State, until February 1954.

Bradley, General of the Army Omar N., Chairman of the Joint Chiefs of Staff, until August 14, 1953.

Bridges, Senator Styles (R-New Hampshire), Senate Minority Leader, 1952; President pro tempore, U.S. Senate, and Chairman of the Appropriations Committee, 1953–1954.

Brownell, Herbert, Jr., Attorney General of the United States from January 21, 1953.

Bruce, David K. E., Ambassador in France until March 10, 1952; Under Secretary of State, April 1, 1952–January 20, 1953; Consultant to the Secretary of State until February 18, 1953; thereafter, Observer at the Interim Committee of the European Defense Community, at Paris, and Representative to the European Coal and Steel Community.

Bundy, McGeorge, Professor of Government, Harvard University; Secretary to the Panel of Consultants on Disarmament, Department of State, 1952.

Burns, Dr. Arthur F., Chairman, Council of Economic Advisers, 1953–1954.

Bush, Dr. Vannevar, President of the Carnegie Institution, Washington, D.C.; Director of the Office of Scientific Research and Development, 1941–1946.

Byroade, Henry A., Director of German Affairs, Department of State, until April 1952; Assistant Secretary of State for Near Eastern, South Asian, and African Affairs from April 14, 1952.

CABELL, Lieutenant General Charles Pearre, USAF, Director of the Joint Staff, Joint Chiefs of Staff, until 1953; Deputy Director of Central Intelligence after April 23, 1953.

CABOT, John M., Assistant Secretary of State for Inter-American Affairs after February 27, 1953; Ambassador in Sweden after May 6, 1954.

CAMPBELL, John C., Member of the Policy Planning Staff, Department of State, 1953–1954; Member of Task Force "B", Project Solarium, 1953.

CARNEY, Admiral Robert B., USN, Commander in Chief, U.S. Naval Forces, Eastern Atlantic and Mediterranean, 1952; Commander in Chief, Allied Forces, Southern Europe, 1952–1953; Chief of Naval Operations after August 17, 1953.

CARNS, Brigadier General Edwin H.J., USA (Colonel until 1953), Deputy Secretary, Joint Chiefs of Staff, 1952-1953; Secretary, 1953–1954.

CARROLL, Brigadier General Paul T., USA (Colonel until 1953), Staff Secretary and Defense Liaison Officer at the White House from January 21, 1953; died September 17, 1954.

CHASE, Joseph, Member of the Office of the Special Assistant to the Secretary of State for Atomic Energy Affairs, 1952–1953.

CHASE, Warren M., United Nations Planning Staff Adviser, Bureau of United Nations Affairs, Department of State, until September 27, 1953; thereafter, Special Assistant to the Administrator of the Bureau of Security and Consular Affairs.

CHERWELL, Lord (Frederick Alexander Lindemann), British Paymaster-General and adviser to Prime Minister Churchill on scientific affairs.

CHURCHILL, Winston S. (Sir Winston from April 24, 1953), Prime Minister of the United Kingdom and First Lord of the Treasury.

CLARK, William L., Assistant Director for the American Republics, United States Information Agency, after December 23, 1953.

COHEN, Benjamin V., Deputy United States Representative to the United Nations Disarmament Commission, 1952.

COLE, Representative W. Sterling (R-New York), Chairman of the Joint Committee on Atomic Energy, 1953-1954.

COLLINS, General J. Lawton, USA, Chief of Staff, United States Army, until August 14, 1953; U.S. Representative on the North Atlantic Treaty Organization Military Committee and Standing Group, August 1953–October 1954; Special Representative of the President in Vietnam with the rank of Ambassador after November 3, 1954.

COMPTON, Wilson S., Administrator, United States International Information Administration, January 1952–February 1953.

CONNORS, W. Bradley, Assistant Administrator for Policy and Plans, United States International Information Administration, after March 25, 1952; detailed to the National War College, 1953–1954; Public Affairs Officer and Attaché in the United Kingdom after July 4, 1954.

CONOLLY, Admiral Richard L., USN, President of the Naval War College until 1953; Member of Task Force "C", Project Solarium, 1953.

COOTES, Merritt N., Officer in Charge of Public Affairs, Office of Western European Affairs, Department of State, after August 26, 1952; Officer in Charge of Swiss-Benelux Affairs after August 29, 1954.

CRAIG, Horace S., Assistant Director, Office of Evaluation and Review, Psychological Strategy Board, 1952-1953.

CUTLER, Robert, Administrative Assistant to the President, January 21–March 22, 1953; thereafter, Special Assistant to the President for National Security Affairs; Member of the President's Committee on International Information Activities, 1953.

Dean, Gordon E., Chairman of the United States Atomic Energy Commission until June 3, 1953.

Deane, Major General John R., USA, Chief of the United States Military Mission in the Soviet Union, 1943-1945; Member of Task Force "B", Project Solarium, 1953.

Dickey, John S., President of Dartmouth College; Member of the Secretary of State's Panel of Consultants on Disarmament, 1952.

Dixon, Sir Pierson (John), British Deputy Under Secretary of State for Foreign Affairs until February 1, 1954; Permanent Representative of the United Kingdom at the United Nations from March 13, 1954.

Dodge, Joseph M., Director of the Bureau of the Budget, January 21, 1953-April 15, 1954; Special Assistant to President Eisenhower and Chairman of the Council on Foreign Economic Policy from December 1, 1954.

Draper, William H., Jr., United States Special Representative in Europe after January 18, 1952; U.S. Permanent Representative on the North Atlantic Council, April 1952-June 1953.

Dulles, Allen W., Deputy Director of Central Intelligence until February 26, 1953; thereafter, Director of Central Intelligence; Member of the Secretary of State's Panel of Consultants on Disarmament, 1952.

Dulles, John Foster, Consultant to the Secretary of State until April 1952; Secretary of State after January 21, 1953.

Eden, Sir Anthony, British Secretary of State for Foreign Affairs.

Eisenhower, General of the Army Dwight D., USA, Supreme Allied Commander, Europe, until May 30, 1952; President of the United States after January 20, 1953.

Eisenhower, Milton S., brother of the President; President of Pennsylvania State University; Member of the President's Committee on Government Organization from 1953; Special Ambassador and Personal Representative of the President on Latin American Affairs from 1953.

Elliott, William Y., Assistant Director of the Office of Defense Mobilization, 1952-1953; ODM Representative on the Planning Board of the National Security Council, 1953-1954.

Fechteler, Admiral William M., USN, Chief of Naval Operations until August 16, 1953; thereafter, Commander in Chief, Allied Forces, Southern Europe.

Ferguson, John H., Deputy Director of the Policy Planning Staff, Department of State, 1952-1953.

Finletter, Thomas K., Secretary of the Air Force until January 20, 1953.

Fisher, Adrian S., Legal Adviser of the Department of State until January 27, 1953.

Flemming, Arthur S., Assistant to the Director (Manpower), Office of Defense Mobilization, 1953; Director of ODM from 1953.

Foley, Edward H., Jr., Under Secretary of the Treasury until January 20, 1953.

Foster, William C., Deputy Secretary of Defense until January 20, 1953.

Fowler, Henry H., Administrator, Defense Production Administration, 1952-1953; Assistant to the Director (Production), Office of Defense Mobilization, 1952-1953.

Franks, Sir Oliver, British Ambassador in the United States until February 1953.

Gerhart, Major General John K., USAF (Brigadier General until 1953), Deputy Director, Directorate of Operations, United States Air Force, 1952; Special Assistant to the Joint Chiefs of Staff, 1952-1954; JCS Representative on the Senior Staff of the National Security Council, 1952-1953, and on the NSC Planning Board, 1953-1954.

Gerrety, Joseph M., Head of the Executive Secretariat of the Psychological Operations Coordinating Committee, Office of Policy and Plans, United States International Information Administration, until June, 1953; Information Specialist, United States Information Agency after August 16, 1953.

Glazebrook, George P. de T., Minister, Canadian Embassy in the United States, after December 1953.

Gleason, S. Everett, Deputy Executive Secretary of the National Security Council.

Goodpaster, Colonel Andrew J., USA, Special Assistant to the Chief of Staff, Supreme Headquarters Allied Powers, Europe, 1952–1954; Member of Task Force "C", Project Solarium, 1953; Staff Secretary to the President after October 10, 1954.

Gorrie, Jack, Chairman of the National Security Resources Board, 1952–1953.

Gray, Gordon, Director of the Psychological Strategy Board until January 1952; Member of the President's Committee on International Information Activities, 1953.

Gromyko, Andrey Andreyevich, Soviet First Deputy Minister for Foreign Affairs in 1952 and after April 1953; Ambassador in the United Kingdom, August 1952–April 1953.

Gullion, Edmund A., Counselor of Embassy at Saigon, 1952; Member of the Policy Planning Staff, Department of State, after September 26, 1952.

Haden, Allen, Chief of the Area Policy Planning Staff, Office of Policy and Plans, United States International Information Administration (United States Information Agency after August 1953), December 1952–March 1954.

Hagerty, James C., Press Secretary to the President after January 21, 1953.

Hall, John A., Chief of the Office of Special Projects, United States Atomic Energy Commission, 1952–1954; Director of the Office of International Affairs, USAEC, 1954.

Halleck, Representative Charles A. (R-Indiana), House Majority Leader, 1953–1954.

Harlow, Bryce N., Administrative Assistant to the President after January 21, 1953.

Harriman, W. Averell, Director for Mutual Security until January 20, 1953.

Harris, George L., Public Affairs Adviser, Bureau of Far Eastern Affairs, Department of State, 1952–1953.

Heeney, A.D.P., Canadian Ambassador in the United States after August 3, 1953.

Henry, Barklie McKee, New York banker; Member of the President's Committee on International Information Activities, 1953.

Hensel, H. Struve, General Counsel, Department of Defense, August 17, 1953–March 4, 1954; Assistant Secretary of Defense (International Security Affairs) after March 5, 1954.

Hickerson, John D., Assistant Secretary of State for United Nations Affairs until July 27, 1953.

Hobby, Oveta Culp, Secretary of Health, Education, and Welfare after April 11, 1953.

Hoover, Herbert Jr., Consultant to the Secretary of State after October 14, 1953; Under Secretary of State after October 4, 1954.

Hoover, J. Edgar, Director of the Federal Bureau of Investigation.

Howe, Fisher, Deputy Special Assistant for Intelligence, Department of State.

Hughes, John C., Member of the President's Committee on International Information Activities, 1953; United States Permanent Representative on the North Atlantic Council at Paris after June 12, 1953.

Hughes, Rowland R., Deputy Director of the Bureau of the Budget, 1953–1954; Director after April 15, 1954.

Hull, General John E., USA, Vice Chief of Staff, United States Army, until October 6, 1953; thereafter, Commander in Chief, United Nations Command in Korea and Commander in Chief, Far East.

Humelsine, Carlisle H., Deputy Under Secretary of State for Administration until February 13, 1953.

Humphrey, George M., Secretary of the Treasury after January 21, 1953.

Hurtado, Charles V., Chief of the Latin American Branch of the International Press Service, United States International Information Administration (United States Information Agency after August 1953).

Huyler, Coulter D., Jr., Special Assistant in the Office of Assistant Secretary of State for Public Affairs, after November 9, 1952; transferred to the United States Information Agency and detailed to the Department of State, August 1, 1953; Attaché at Paris (NATO), after August 22, 1954.

Jackson, C. D., Special Assistant to the President, February 16, 1953–March 31, 1954; Member of the President's Committee on International Information Activities, 1953; Member of the United States Delegation to the Ninth Regular Session of the United Nations General Assembly, 1954.

Jackson, William H., Chairman of the President's Committee on International Information Activities, 1953; former Deputy Director of Central Intelligence (1950–1951).

Jessup, Philip C., Ambassador at Large until January 19, 1953.

Johnson, Joseph E., President of the Carnegie Endowment for International Peace; Member of the Secretary of State's Panel of Consultants on Disarmament, 1952.

Johnson, Senator Lyndon B. (D–Texas), Member of the Armed Services Committee; Minority Floor Leader, 1953–1954.

Johnson, Robert L., Administrator, United States International Information Administration, February–August 1953.

Kennan, George F., Ambassador in the Soviet Union, May 14, 1952–September 19, 1952; Member of Task Force "A", Project Solarium, 1953.

Key, David McK., Assistant Secretary of State for United Nations Affairs (International Organization Affairs from August 25, 1954) after December 18, 1953.

Keyserling, Leon H., Chairman of the Council of Economic Advisers until January, 1953.

Kimball, Arthur A., Assistant Administrator, Office of Management, United States International Information Administration, 1952–1953.

Kimball, Dan A., Secretary of the Navy until January 20, 1953.

Kirk, Admiral Alan G., USN (ret.), Director of the Psychological Strategy Board, 1952–1953.

Kitchen, Jeffrey C., Acting Chief of the Policy Reports Staff, Department of State, after May 26, 1952; Special Assistant to the Secretary of State, November 9, 1952–January 23, 1953; Deputy Director of the Executive Secretariat, January 23, 1953–October 10, 1954; thereafter, Deputy Director of the Office of Greek, Turkish, and Iranian Affairs.

Knowland, Senator William F. (R–California), Member of the Appropriations Committee and the Joint Committee on Atomic Energy; Member of the Armed Services Committee, 1952, and the Foreign Relations Committee, 1953–1954; Senate Majority Leader, 1953–1954.

Kyes, Roger M., Deputy Secretary of Defense, February 2, 1953–May 1, 1954; Member of the President's Committee on International Information Activities, 1953.

Lalor, Rear Admiral William G., USN (ret.), Secretary, Joint Chiefs of Staff, 1952–1953.

Laniel, Joseph, Prime Minister of France, June 28, 1953–June 19, 1954.

Larmon, Sigurd, advertising executive; Member of the United States Advisory Committee on Information; Member of the President's Committee on International Information Activities, 1953.

Lawton, Frederick J., Director of the Bureau of the Budget until January 20, 1953.

Lay, James S., Jr., Executive Secretary of the National Security Council.

LeBaron, Robert, Chairman of the Military Liaison Committee to the Atomic Energy Commission, Department of Defense, and Assistant to the Secretary of Defense (Atomic Energy) until August 1, 1954.

Lemnitzer, Lieutenant General Lyman L., USA (Major General until August 1, 1952), Deputy Chief of Staff for Plans and Research, United States Army, after August 1, 1952; Member, Task Force "C", Project Solarium, 1953.

Lie, Trygve H., Secretary-General of the United Nations until April 10, 1953.

Lilienthal, David E., Chairman of the United States Atomic Energy Commission, November 1946–February 1950.

Lincoln, Colonel George A., USA, Member of Task Force "A", Project Solarium, 1953.

Lindemann, Frederick Alexander. *See* Cherwell.

Livermore, Shaw, Assistant to the Director of the Office of Defense Mobilization until January 1953.

Lodge, Henry Cabot, Jr., Senator (R-Massachusetts), 1952; United States Representative at the United Nations after January 26, 1953.

Loper, Major General Herbert B., USA (ret.) (Brigadier General until 1952; retired 1953), Deputy Assistant Chief of Staff, Operations, United States Army, 1952–1953; Chairman of the Military Liaison Committee to the Atomic Energy Commission, Department of Defense, and Assistant to the Secretary of Defense (Atomic Energy), after August 9, 1954.

Lourie, Donold B., Under Secretary of State for Administration, February 16, 1953–March 5, 1954.

Lovett, Robert A., Secretary of Defense until January 20, 1953.

MacArthur, Douglas II, Counselor of Embassy in France until October 15, 1952; Counselor of the Department of State after March 30, 1953.

MacKnight, Jesse M., Special Assistant to the Assistant Secretary of State for Public Affairs.

Makins, Sir Roger, British Deputy Under Secretary of State for Foreign Affairs until December 30, 1952; Ambassador in the United States after January 7, 1953.

Malenkov, Georgiy Maksimilianovich, Deputy Chairman of the Council of Ministers of the Soviet Union until March 1953; thereafter, Chairman of the Council of Ministers; Member of the Presidium (Politburo until October 1952) of the Central Committee of the Communist Party of the Soviet Union.

Malik, Yakov Alexsandrovich, Soviet Deputy Minister of Foreign Affairs until March 1953; thereafter, Soviet Ambassador in the United Kingdom.

Mao Tse-tung, Chairman, Central People's Government Council, People's Republic of China, until September 1954; thereafter, Chairman of the People's Republic of China.

Martin, Jacques, First Secretary, French Embassy after June 1953.

Martin, Representative Joseph M., Jr. (R-Massachusetts), Minority Leader of the House, 1952; Speaker of the House, 1953–1954.

Matthews, H. Freeman, Deputy Under Secretary of State for Political Affairs until October 11, 1953; Ambassador in the Netherlands from November 25, 1953.

McCardle, Carl W., Assistant Secretary of State for Public Affairs after January 30, 1953.

McCarthy, Senator Joseph R. (R-Wisconsin), Chairman of the Government Operations Committee, 1953-1954.

McClurkin, Robert J. G., Deputy Director of the Office of Northeast Asian Affairs, Department of State, until September 9, 1954; thereafter, Acting Director.

McCormack, Major General James, Jr., USAF, Member, Task Force "B", Project Solarium, 1953.

McCormack, Representative John W. (D-Massachusetts), Majority Leader of the House, 1952; Democratic Whip, 1953-1954.

McIlvaine, Robinson, Assistant to the Assistant Secretary of State for Public Affairs after July 19, 1953; Special Assistant after March 1954; Deputy Assistant Secretary of State for Public Affairs after July 19, 1954.

McMahon, Senator Brien (D-Connecticut), Chairman of the Joint Committee on Atomic Energy; died July 28, 1952.

McNeil, Wilfred J., Assistant Secretary of Defense (Comptroller).

Menon, V. K. Krishna, Representative, Indian Delegations to the Seventh and Eighth Regular Sessions of the United Nations General Assembly, 1952-1953; Chairman of the Delegation to the Ninth Regular Session, 1954; Representative on the Trusteeship Council, 1954.

Merchant, Livingston T., Special Assistant to the Secretary of State for Mutual Security Affairs until March 24, 1952; then Deputy United States Special Representative in Europe, at Paris, until March 11, 1953; Assistant Secretary of State for European Affairs after March 16, 1953.

Meyers, Howard, Member of the Office of United Nations Political and Security Affairs, Department of State.

Minnich, L. Arthur, Jr., Assistant Staff Secretary to the President after January 21, 1953.

Moch, Jules, French Representative to the United Nations Disarmament Commission; French Representative to the Subcommittee of Five of the Disarmament Commission, 1954.

Molotov, Vyacheslav Mikhailovich, Foreign Minister of the Soviet Union after March 1953; Member of the Politburo (Presidium, from October 1952) of the Communist Party of the Soviet Union.

Montgomery, Edward P., Chief of the Current Information Policy Staff, Office of Policy and Plans, United States International Information Administration (United States Information Agency after August 1953), 1952-1953; Acting Public Affairs Adviser, Bureau of European Affairs, Department of State, 1954.

Morton, Thruston B., Assistant Secretary of State for Congressional Relations after January 30, 1953.

Murphy, Charles S., Special Counsel to the President until January 20, 1953.

Murphy, Robert D., Ambassador in Belgium until March 19, 1952; Ambassador in Japan, May 9, 1952-April 28, 1953; Assistant Secretary of State for United Nations Affairs, July 28, 1953-November 1953; Deputy Under Secretary of State for Political Affairs after November 30, 1953.

Murray, Thomas E., Member of the United States Atomic Energy Commission.

Nash, Frank C., Assistant to the Secretary of Defense for International Security Affairs until February 10, 1953; Assistant Secretary of Defense (International Security Affairs), February 11, 1953-February 28, 1954.

Nehru, Pandit Jawaharlal, Prime Minister of India and Minister for External Affairs and Commonwealth Relations.

Nitze, Paul H., Director of the Policy Planning Staff, Department of State, until April 1953.

Nixon, Richard M., Senator (R-California), 1952; Vice President of the United States after January 20, 1953.

Nolting, Frederick E., Jr., Special Assistant to the Deputy Under Secretary of State, 1952-1953; Acting Special Assistant to the Secretary of State for Mutual Security Affairs after August 4, 1953; Special Assistant to the Secretary of State for Mutual Security Affairs after January 4, 1954.

Noyes, Charles P., Representative of the Department of Defense on the Senior Staff of the National Security Council, 1952-1953.

O'Connor, Roderic L., Assistant to the Secretary of State after January 21, 1953; Special Assistant after February 21, 1954.

Oppenheimer, J. Robert, Director of the Institute for Advanced Study, Princeton, New Jersey; Chairman of the General Advisory Committee of the United States Atomic Energy Commission until August 8, 1952; Chairman of the Secretary of State's Panel of Consultants on Disarmament, 1952.

Pearson, Lester B., Canadian Secretary of State for External Affairs.

Penfield, James K., Counselor of the Embassy in the United Kingdom until August 1954; thereafter, Deputy Chief of Mission in Austria; Member, Task Force "B", Project Solarium, 1953.

Perkins, George W., Assistant Secretary of State for European Affairs until January 31, 1953.

Persons, Major General Wilton B., USA, Special Assistant to the President after January 21, 1953.

Peterson, Val, Administrative Assistant to the President, January 21-March 1, 1953; thereafter, Federal Civil Defense Administrator.

Phillips, Joseph B., Deputy Assistant Secretary of State for Public Affairs, March 6-October 23, 1952; Acting Director of the Office of Public Affairs, Department of State, until June 30, 1954.

Phleger, Herman, Legal Adviser of the Department of State after February 2, 1953.

Popper, David H., Deputy Director, Office of United Nations Political and Security Affairs, Department of State, until October 24, 1954; thereafter, Director.

Pratt, James W., Officer in Charge of Public Affairs, Office of Eastern European Affairs, Department of State, 1952-1954.

Quarles, Donald A., Assistant Secretary of Defense (Research and Development) after September 1, 1953.

Rabi, Isidor I., Professor of Physics at Columbia University; Member of the General Advisory Committee of the United States Atomic Energy Commission; Chairman after October 1952.

Radford, Admiral Arthur W., USN, Commander, U.S. Pacific Fleet, until July 10, 1953; Chairman of the Joint Chiefs of Staff after August 15, 1953.

Radius, Walter A., Director of the Management Staff, Office of the Deputy Under Secretary of State for Administration, from July 1952; Operations Coordinator in the Office of the Under Secretary of State, September 1953-November 1954; thereafter, Special Assistant to the Assistant Secretary of State for Economic Affairs.

Raine, Philip, Public Affairs Adviser, Bureau of Inter-American Affairs, Department of State, after January 22, 1952.

Rayburn, Representative Sam (D-Texas), Speaker of the House, 1952; Democratic Floor Leader, 1953-1954.

Raynor, G. Hayden, Director of the Office of British Commonwealth and Northern European Affairs, Department of State.

Reinhardt, G. Frederick, Counselor of Embassy in France; Member of Task Force "C", Project Solarium, 1953.

Ridgway, General Matthew B., USA, Commander in Chief, Far East, and Commander in Chief, United Nations Command, until May, 1952; Supreme Allied Commander, Europe, June 1952–May 1953; Chief of Staff, United States Army, after August 15, 1953.

Roberts, Edward V., Chief of the News Policy Staff, Office of Policy and Programs, United States Information Agency, 1953–1954.

Robertson, Walter S., Assistant Secretary of State for Far Eastern Affairs after April 8, 1953.

Salt, Barbara, First Secretary, British Embassy in the United States.

Saltonstall, Senator Leverett (R-Massachusetts), Member of the Committees on Armed Services (Chairman, 1953–1954) and Appropriations.

Sanders, William, Special Assistant to the Assistant Secretary, and Planning Adviser, United Nations Planning Staff, Bureau of United Nations Affairs, Department of State, until October 11, 1953.

Sandifer, Durward V., Deputy Assistant Secretary of State for United Nations Affairs until February 28, 1954.

Sanger, Richard H., Officer in Charge of Public Affairs, Bureau of Near Eastern, South Asian, and African Affairs, Department of State, 1953–1954.

Savage, Carlton, Member of the Policy Planning Staff, Department of State.

Sawyer, Charles, Secretary of Commerce until January 1953.

Schwinn, Walter K., Special Assistant to the Assistant Secretary of State for Public Affairs until November 5, 1954.

Scott, Robert H. (Sir Robert from June 10, 1954), British Minister in the United States from July 15, 1953.

Scott, Walter K., Deputy Assistant Secretary of State for Administration until March 21, 1954; thereafter, Director of the Executive Secretariat.

Shepherd, General Lemuel C., USMC, Commandant of the Marine Corps.

Smith, Gerard C., Special Assistant to the Commissioner, United States Atomic Energy Commission until April 12, 1954; thereafter, Consultant to the Secretary of State on Atomic Energy Affairs.

Smith, Rear Admiral H. Page, USN (Captain until 1953), Director of the Office of Foreign Military Affairs, Department of Defense, 1952–1953; Member of Task Force "A", Project Solarium, 1953.

Smith, General Walter Bedell, USA, Director of Central Intelligence until February 9, 1953; Under Secretary of State, February 9, 1953–October 1, 1954.

Smyth, Henry D., Member of the United States Atomic Energy Commission until September 30, 1954.

Snapp, Roy B., Secretary to the United States Atomic Energy Commission.

Sohm, Earl D., Chief, Committee Secretariat Staff, Executive Secretariat, Department of State, after March 31, 1952; Special Assistant to the Under Secretary of State for Administration after February 17, 1953.

Sprague, Robert C., Chairman of the Board of the Sprague Electric Company; Consultant to the National Security Council and the Senate Armed Services Committee on Continental Defense, 1953–1954.

Staats, Elmer B., Executive Officer of the Operations Coordinating Board, 1953–1954.

Stalin, Generalissimo and Marshal of the Soviet Union Iosif Vissarionovich, Chairman of the USSR Council of Ministers, and Secretary General of the Central Committee of the Communist Party of the Soviet Union; died March 5, 1953.

Stassen, Harold E., Director for Mutual Security after January 20, 1953; Director for Foreign Operations after August 1, 1953.

Steel, Sir Christopher E., British Minister in the United States, 1952–1953; Permanent British Representative to the North Atlantic Council and the Organization for European Economic Cooperation, at Paris, after August 18, 1953.

Stegmaier, John L., Member of the Division of Public Affairs, Bureau of Far Eastern Affairs, Department of State, until March 1954; thereafter, Acting Officer in Charge of Public Affairs.

Stephens, Thomas E., Special Counsel and Appointments Secretary to the President after January 21, 1953.

Stevens, Robert T., Secretary of the Army after February 4, 1953.

Stoessel, Walter J., Jr., Member of the Office of Eastern European Affairs, Department of State, 1952–1954; Acting Director in Charge of Soviet Affairs after March 1954.

Straus, Richard, Member of the Office of German Affairs, Department of State, 1952–1954; Acting Public Affairs Adviser, 1953.

Strauss, Lewis L., Chairman of the United States Atomic Energy Commission after July 2, 1953; also Special Assistant to the President on atomic energy matters after March 9, 1953.

Streibert, Theodore C., Director of the United States Information Agency after August 1, 1953.

Taber, Representative John (R-New York), Chairman of the House Appropriations Committee, 1953–1954.

Talbott, Harold E., Secretary of the Air Force after February 4, 1953.

Taylor, Lieutenant General Maxwell D., Deputy Chief of Staff for Operations and Administration, United States Army, 1952–1953; Commander of the U.S. Eighth Army in Korea after February 1953

Thurston, Ray L., Deputy Director of the Office of Eastern European Affairs, Department of State, 1952–1954; Director after May 26, 1954.

Tomkins, Edward E., First Secretary, British Embassy in the United States.

Truman, Harry S., President of the United States until January 20, 1953.

Tufts, Robert W., Member of the Policy Planning Staff, Department of State, until April 1953.

Twining, General Nathan F., USAF, Vice Chief of Staff, United States Air Force, 1952–1953; Chief of Staff after June 30, 1953.

Utter, John E., Consul, Embassy in France, until March 20, 1952; Director of the Office of African Affairs, Department of State, after September 2, 1952.

Vandenberg, General Hoyt S., USAF, Chief of Staff, United States Air Force, until June 29, 1953.

Van Hollen, Christopher, Staff Member, Executive Secretriat, Department of State, until December 1954.

Vedeler, Harold C., Officer in Charge of Polish, Baltic, and Czechoslovak Affairs, Department of State.

Vyshinsky, Andrey Yanuaryevich, Soviet Minister of Foreign Affairs until March 1953; First Deputy Minister of Foreign Affairs and Soviet Permanent Representative at the United Nations, 1953–1954; died Novembver 22, 1954.

Wadsworth, James J., Acting Administrator, Federal Civil Defense Administration, 1952–1953; Deputy United States Representative at the United Nations after February 23, 1953; also Deputy United States Representative on the United Nations Disarmament Commission after August 1953.

Wailes, Edward T., Assistant Secretary of State for Administration (then Personnel and Administration from March 26, 1954), May 29, 1953–June 22, 1954; Ambassador in South Africa after September 15, 1954.

Wainhouse, David W., Director, Office of United Nations Political and Security Affairs, Department of State, until February 1954; thereafter, Deputy Assistant Secretary of State for United Nations Affairs (International Organization Affairs from August 25, 1954).

Washburn, Abbott M., Executive Secretary of the President's Committee on International Information Activities, 1953; Deputy Special Assistant to the President, 1953; Deputy Director of the United States Information Agency after November 30, 1953.

Watts, Philip H., Executive Secretary of the Policy Planning Staff, 1952–1954.

Waugh, Samuel C., Assistant Secretary of State for Economic Affairs after June 5, 1953.

Wiley, Senator Alexander (R–Wisconsin), Chairman of the Senate Foreign Relations Committee, 1953–1954.

Wilson, Charles Edward, Director of the Office of Defense Mobilization until January 1953.

Wilson, Charles Erwin, Secretary of Defense after January 28, 1953.

Wisner, Frank, Deputy Director for Plans, Central Intelligence Agency.

Wood, C. Tyler, Deputy United States Special Representative in Europe, 1952; Associate Deputy Director, Mutual Security Agency, 1952; Deputy to the Director, MSA, 1953; Member, Task Force "A", Project Solarium, 1953; United Nations Command Economic Coordinator (Seoul, Korea), Foreign Operations Administration, 1953–1954.

Zarubin, Georgiy Nikolaeyevich, Soviet Ambassador in the United Kingdom, 1952; Soviet Ambassador in the United States after September 25, 1952.

Zorin, Valerian Aleksandrovich, Soviet Deputy Minister of Foreign Affairs, also Soviet Representative at the United Nations, 1952–1953.

UNITED STATES NATIONAL SECURITY POLICY: U.S. OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY; ESTIMATES OF THREATS TO THE NATIONAL SECURITY; MILITARY POSTURE AND FOREIGN POLICY; ORGANIZATION FOR NATIONAL SECURITY [1]

Editorial Note

A substantial portion of the documentation appearing in the *Foreign Relations* series for 1952–1954 concerns subjects of relevance to the national security. Documentation in the present compilation is related to the formulation of high-level, general policy. This material should be considered in connection with papers on specific issues and areas found in other *Foreign Relations* volumes. The following compilations are of particular importance in relation to the material presented here.

For material on United States policy regarding the regulation of armaments and foreign policy aspects of United States development of atomic energy, see pages 845 ff.

General political and economic matters, including foreign aid and the Mutual Security Program, are documented in volume I. United States policy with respect to the defense of the Western Hemisphere is treated in volume IV. For documentation on United States participation in the North Atlantic Treaty Organization, including development of the "new look" defense strategy in 1953–1954; on the European Defense Community; and on the adherence of the Federal Republic of Germany to NATO, see volume V. For documentation on general United States policy toward Eastern Europe and events of significance in the relations of the Soviet Union with other nations (particularly the United States), see volume VIII. Included in that volume are a number of National Intelligence Estimates regarding various aspects of Soviet military, economic, and political capabilities plus estimates of the possibility of war with the Soviet Union. For documentation on United States relations with the United Kingdom and France and on discussions with the United Kingdom and Canada concerning the danger of general war with the Soviet Union, see volume VI.

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[1] Continued from *Foreign Relations*, 1951, vol. I, pp. 1 ff. For information on U.S. organization for national security, including extensive material on the administrative structure and functions of the National Security Council, see *Organizing for National Security:* an Inquiry of the Subcommittee on National Policy Machinery, Senator Henry M. Jackson, Chairman, for the Committee on Government Operations, U.S. Senate, 3 vols. (Washington, Government Printing Office, 1961), particularly volume II.

For documentation on United States national security policy regarding the Near and Middle East and Iran, see volumes IX and X. Compilations regarding United States national security policy with respect to the Africa and South Asia areas and the East Asia and Pacific areas are in volumes XI and XII, respectively. For documentation on the Korean war, see volume XV; on Indochina, see volume XIII; on the Geneva Conferences of 1954, see volume XVI.

Truman Library, Truman papers, PSF-Subject file

The Secretary of Defense (Lovett) to the President

SECRET WASHINGTON, January 4, 1952.

DEAR MR. PRESIDENT: At the meeting in the Cabinet Room of the White House on 28 December 1951, [1] attended by the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Deputy Secretary of Defense, the Secretaries of each of the Military Departments, the Chairman of the Joint Chiefs of Staff, the Chief of Staff, Army, the Chief of Naval Operations, the Chief of Staff, Air Force, the Director for Mutual Security, the Director of Defense Mobilization, the Director of the Bureau of the Budget, and others, you directed that I work with the Director of the Bureau of the Budget to revise the budget of the Department of Defense to reflect your decision to stretch out the build-up of the defense program because of material and fiscal considerations. This stretch-out was to be accomplished within expenditures estimated at $44 billion for F.Y. 1952 and $60 billion for F.Y. 1953. It is understood that these estimated expenditure figures cover both expenditures for the account of the Department of Defense and the military portion of the Mutual Security appropriations.

While there was no decision as to the amount of new obligational authority to be included in the budget for F.Y. 1953, it was understood that it was to be adequate to sustain the stretched-out program, and to permit the Department of Defense to achieve a steady build-up of production over as much of this period as possible.

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[1] No record of the meeting under reference has been found. Documentation from December 1951 concerning proposed revisions in the Department of Defense budget so as to "stretch out" the buildup of the defense program is in the Truman Library, Truman papers, PSF-Subject file.

After consultation with the Secretaries of the Military Departments, the Joint Chiefs of Staff, and the Military Chiefs of each of the Services, I propose the following to give effect to your decision:

1. That new obligational authority for the Department of Defense for F.Y. 1953 be as follows:

Department of the Army	$14,300,000,000
Department of the Navy	$13,314,155,000
Department of the Air Force	$20,922,338,000
Office of the Secretary of Defense	$466,265,000
Total	$49,002,758,000

Attached is a list [2] setting forth new obligational authority by Departments and by appropriations. The above totals for new obligational authority are exclusive of the new authority required for financing public works projects in F.Y. 1953, originally estimated by the Department of Defense as $3 1/2 billion.

2. That the expenditure limitation be modified to provide for a total of $86.5 billion for the 18-month period of 1 January 1952 to 30 June 1953 (the $86.5 billion represents the unused portion as of 31 December 1951 of the $44 billion estimated for F.Y. 1952, and the $60 billion for F.Y. 1953).

3. That the funds appropriated for Military Assistance be made available to the Department of Defense in such a manner as to permit the most advantageous overall production program that can be achieved, taking into consideration the combined needs of the U.S. Forces and our Allies.

4. That the Military Departments, with the approval of the Secretary of Defense, be granted permission, prior to or during the coming Congressional hearing, to adjust the amounts between appropriations if further study of the proposed program indicates that such adjustments would result in a better balanced program within the total appropriations being recommended for each of the Departments. This request is made because of the limited period of time during which the Department of Defense has had to consider the results of the revised appropriation distribution.

There will be forwarded to you for your information a statement prepared by the Joint Chiefs of Staff [3] as to the military implications of these modifications.

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[2] Not printed.

[3] The same day, Lovett transmitted to the President a one-paragraph response by General Bradley writing on behalf of the Joint Chiefs of Staff. The Bradley memorandum reads as follows: "With reference to the reduction in the proposed military budget for Fiscal Year 1953, the Joint Chiefs of Staff desire to reaffirm that they consider the general period of 1954 to be the most dangerous for the security of the United States in the foreseeable future. Adoption of the reduced program postpones until 1956 our military capability to meet this threat." The Bradley memorandum

Continued

On the basis of the above proposal, the Department of Defense will make every effort to secure the maximum military effectiveness possible within the funds being made available.

With great respect, I am

Faithfully yours,

ROBERT A. LOVETT

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and Lovett's memorandum of transmittal to President Truman may be found in the Truman Library, Truman papers, President's Secretary's file.

On Jan. 21, 1952, President Truman submitted to Congress his Annual Budget Message for Fiscal Year 1953. The budget provided $52.4 billion in new obligational authority for the military services as compared with $61.7 billion in 1952. The President declared that "This reduction is possible because a substantial portion of the obligational authority required to finance our military expansion has already been provided by the Congress." The President's Annual Budget Message for Fiscal Year 1953 is in *Public Papers of the Presidents of the United States: Harry S. Truman, 1952-53* (Government Printing Office, 1966), pp. 63-117.

Editorial Note

President Truman and Winston S. Churchill, Prime Minister of the United Kingdom, met in Washington January 5-18, 1952, to discuss a wide range of issues of common concern. These discussions included consideration of matters affecting the national security policy of the United States. For documentation on the Truman-Churchill talks, see volume VI.

Editorial Note

The Ninth Session of the North Atlantic Council was held at Lisbon, February 20-25, 1952. The main item on the agenda was the "Co-ordinated Analysis of NATO Defense Plans." The Council adopted the military force goals and production targets suggested in a report submitted by the Temporary Council Committee composed of Harriman of the United States, Plowden of the United Kingdom, and Monnet of France. Firm goals were established for 1952 and provisional estimates were made for 1953 and 1954. For documentation on the Ninth Session of the North Atlantic Council, see volume V, Part 1, pages 107 ff.

PPS files, lot 64 D 563, "Review of NSC 68 & 114"

Memorandum by the Counselor (Bohlen)[1]

TOP SECRET [WASHINGTON,] March 27, 1952.

The Bases of Soviet Action (The General Nature of Future Soviet Actions)

1. Whatever the estimate, and the field is, of course, highly speculative, of Soviet future actions or long-range and short-range intentions, there are certain fundamental features of the Soviet system which are generally uncontested by all analyses. These fundamental factors represent the solid and unchanging basis for the programs of rearmament in the Western world. Regardless of any particular phase of Soviet policy, it is generally accepted that the Soviet system:

a. Is a totalitarian state, heavily armed and continuously seeking to increase its military potential, where the power of decision rests entirely in the hands of a small group of men;

b. By the nature of its state structure, reinforced by its ideology, is fundamentally and unappeasably hostile to any society not susceptible to its control;

c. The directing group of the Soviet Government and of international Communism are totally uninhibited by any considerations of a humanitarian, moral, or ethical character which have acted, in history, as restraints upon the use of force.

These factors, quite apart from any other considerations, require that the non-Soviet world and the United States in particular, not permit a decisive imbalance in military force in favor of the Soviet Bloc.

2. Drawing conclusions about future Soviet actions is not only difficult but can be dangerous unless it is borne in mind that the purpose for which one attempts to do so is to find the best—or least bad—assumption for planning purposes, in other words, to draw only those conclusions which it is *safe* to make the background of one's own behavior.

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[1] A notation on the source text reads: "Revised paper as transmitted to NSC". This memorandum by Bohlen was in response to NSC Action No. 575–c, Oct. 17, 1951 directing the NSC Senior Staff to submit for Council consideration at an early date a reappraisal of the policies and programs set forth in the NSC 68 and NSC 114 Series. See the memorandum by Bohlen, May 19, p. 17. For documentation on the NSC 68 Series, see *Foreign Relations*, 1950, vol. I, pp. 126 ff.; for documentation on the NSC 114 Series, see *ibid.*, 1951, vol. I, pp. 1 ff. For text of NSC Action No. 575, see *ibid.*, p. 235.

Bohlen was the representative of the Department of State on the Senior Staff of the National Security Council. For information on the administrative composition of the National Security Council and recommended changes thereto, see the memorandum by Cutler to the President, Mar. 16, 1953, p. 245.

3. In order to have some context within which profitably to draw conclusions about future Soviet actions it may be helpful to make an arbitrary distinction between two dangers: (a) the danger of becoming involved in global war, and (b) the danger of being defeated in a global war. In that way we can at least put aside initially what it is we are *not* studying. Because there is no important disagreement that if matters reach the point where the Soviets attain the capability of delivering a "decisive" * initial blow on the United States without serious risk to their own regime, they would do so, i.e., that they would do so would have to be considered so probable for planning purposes, that it would be unprofitable to argue about degrees of possibility. What we are considering here then is the probable nature of Soviet actions short of delivering a "decisive" blow on the United States.

4. The Soviet regime came to power in October 1917 with what the Bolsheviks considered to be a clear, thoroughly thought out thesis, or doctrine, which described the direction of the future course of world history. In seizing power by a *coup d'état* rather than by the prescribed revolution and in a country which had none of the doctrinaire prerequisites for socialism they immediately violated the doctrine, and have continued to do so ever since. The life of the Soviet regime has been one continual contradiction and, in essence, Soviet actions have represented an unending series of compromises as, with each concrete situation facing them, they have attempted to resolve this contradiction. The moment that they seized power they discovered that doctrine was totally inadequate to answer the questions as to how to exercise power in that country, under those circumstances, at that time. Compelled to consolidate the power attained and to strive for absolute control over the captured state, Lenin compromised with doctrine. Stalin has continued to do so, and since 1917 whenever a conflict has arisen between doctrine (the revolutionary ideology) and any question of power, the latter has prevailed without exception. Where Lenin, however, acknowledged each compromise as such, Stalin has twisted the doctrine to fit the compromise. His policies therefore have been completely opportunistic—but by necessity, not by design.

5. The basic contradiction, then, lies in the twin necessities of maintaining power at home and advocating revolution abroad. From this has sprung the dual nature of the State wherein the same men are at once the rulers of the Soviet Union and the Board of Directors of an international conspiracy. To date no sacrifice of the State has been made for the benefit of the world revolutionary

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* A "decisive" blow is one which renders the enemy incapable of further serious action. [Footnote in the source text.]

movement. It is unnecessary, however, to state dogmatically that the Stalin regime is interested in maintaining power in Russia entirely for the sake of power and not at all as a base for eventual world revolution since, for the foreseeable future, they amount to the same thing. The prime preoccupation of the masters of the Kremlin remains the security of the home base and there is no realistic sign that in the foreseeable future the internal situation in Russia will undergo such radical alteration as to remove this preoccupation from their minds.

6. Furthermore, the specific and artificial nature of the Stalinist regime, which bears little resemblance to any socialist or communist society as envisaged by either Marx or Lenin makes it probable, if not inevitable, that any Communist regime not susceptible of control by the Soviet Union would be basically different in its development from Stalinist Russia and hence potentially hostile to it. The relationship of the Soviet Union and other Communist states which it cannot control is a subject of extreme complexity and one on which we have very little evidence to base any firm conclusions, but as Tito illustrates, the mere fact of being Communist does not eliminate the possibility of a hostile relationship with the Soviet Union.

7. To say that the ideology of Communism and the doctrine of Marx and Lenin do not provide any real guide to Soviet action, in the sense of cause and effect, does not mean that doctrine does not have an effect on Soviet action. The effect is indirect but nonetheless real. Doctrine has served as the rationalization and justification of Soviet actions taken for different reasons. By this fact alone it conditions to an important degree the manner in which the action is taken. And it is the bait that attracts supporters abroad. In one field, furthermore, it has a very important effect, and that is in the field of analysis of situations in non-Soviet countries and, hence, on the Soviet estimate of the policies of non-Soviet governments. Available information indicates that in the analysis of the development of capitalist society, rivalries between capitalist powers, and the relationship between "colonial powers and colonial or semi-colonial peoples" the Soviet rulers operate quite literally according to doctrine. It is in this field that doctrine plays its greatest role and contains the greatest possibility of serious Soviet miscalculation as to the reaction of other countries (Finland and Korea). In a contradictory sense, however, it also operates as one of the safeguards of world peace and makes our behavior one of the principal factors bearing on Soviet action.

7. [*sic*] General war is clearly not something into which the Soviet rulers would enter lightly. One of the chief factors which they would obviously consider would be the relative strength of the

enemy. But regardless of their estimate of this factor, they must regard any major war as highly dangerous to the regime. It would subject an overburdened economy and their control of the satellites to grievous strains. It would greatly increase the problem of defection. Most seriously of all it would alter to the detriment of the party the relationship between party and army; and control over the army is one of the principal cornerstones of the survival of the regime.

8. For such people, however, struggle is the most natural environment. The interests of the regime have no direct relation with the interests, aspirations, and needs of the Russian people. Preoccupied with the problems of maintaining iron discipline over the captive peoples, they are obliged to justify it by the bogey of "capitalist encirclement" and an ostensible goal of world revolution. A tranquil relationship with the outside world, then, becomes impossible and their expansionist tendencies spring from a desire to push the edge of freedom farther and farther away.

9. *Conclusions:*

Bearing in mind that the purpose of this analysis is neither to draw all possible conclusions concerning Soviet actions nor to set down everything which might help us understand events as they occur but rather to enumerate only those conclusions concerning the nature of future Soviet conduct which will assist in formulating our own strategy, the following may be stated:

a. It must be accepted as probable that the Soviets would attack us if they felt they could deliver a "decisive" initial blow to the U.S. without serious risk to their own regime.

b. The Soviets might attack if they were convinced as a matter of fact, rather than theory, that an attack by the West was actually imminent—and the facts would probably have to include a physical preponderance of Western strength in being plus a menacing political attitude on our part.

c. War could come from miscalculation on the part of the Soviets coupled with the unwinding chain of action and reaction—a concomitant of this conclusion is that our actions play an extremely important part in Soviet actions.

d. War could come from accident—as contrasted with miscalculation—simply as a result of the confrontation of two armed and arming hostile powers.

e. Short of a above, and possibly b, Soviet action is more likely to be confined to the "cold war"—i.e., a continuous hostility and a pushing and probing toward an exploitation of all Western weaknesses.

f. The following represent certain criteria, all of which should be present before the Soviet Union would be likely to take or support overt action against non-Soviet territory but which conditions, even if met, would not necessarily impel such actions:

(1) That the territory's accession to Soviet power would have a direct and important effect in improving the Soviet strategic position;

(2) That the territory could be brought under total Stalinist control;

(3) That the internal situation would be such as to indicate the "objective" conditions for revolution, at least to the extent of providing cover of revolutionary or civil war activity to which Soviet or satellite forces would bring assistance; and

(4) That the use of open armed force would not carry with it a major risk of general hostilities involving the Soviet Union.

Truman Library, Truman papers, PSF-Subject file

Memorandum by Major General R.B. Landry to the President [1]

SECRET WASHINGTON, 25 April 1952.

Here are a few highlights which spell out briefly the effect of a cut in appropriations for the Air Force [2] for the FY1953, which you suggested I submit to you prior to your meeting with Mr. Vinson this afternoon.

Under your budget submitted to the Congress, the Air Force would have received $19,233,000,000 for the FY1953. Under the $46,000,000,000 expenditure limitation by the Congress, the Air Force would receive $17,400,000,000, or a reduction of $1,833,000,000.

Insofar as the Air Force is concerned, such a reduction will bring about very serious and far-reaching effects. For example, such a reduction for FY1953 will severely reduce the activation, manning and equipping of air combat units provided for by the President's budget. The attainment of a modern 126 combat wing force would be delayed approximately 18 months.

Breaking this down further, the Air Force had planned on attaining a total of 96 combat wings by the end of FY1953; only 83 combat wings can be provided with the reduction in funds. In FY1954 the Air Force had planned to attain 120 combat wings; only 98 combat wings can be provided under the reduced funds. The Air Force had planned to reach 120 combat wings by December 31, 1955; with reduced funds this cannot be achieved until approximately June 30, 1957. Such a further delay on the top of the previous year stretch-out would be most serious.

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[1] Landry was Air Force Aide to the President.

[2] Following President Truman's submission of his annual budget to Congress on Jan 21 (see footnote 3, p. 3), the Department of Defense requested an appropriation of $50.9 billion, $1.5 billion less than the obligational authority requested by the President in January. On Apr. 3, the House Appropriations Committee recommended a $46.7 billion military budget. Cuts totalling $4.2 billion from the Defense request included $1.7 billion in Army requests, $1 billion in Navy requests, and $1.5 billion in Air Force requests. Further cuts on the House floor reduced military appropriations to an even $46 billion. (*Congress and the Nation, 1945-1964*, vol. 1 (Washington, Congressional Quarterly Service, 1965), p. 270)

Under expenditure limitations, aircraft production would have to be substantially reduced. This amounts to the elimination of 3,000 aircraft (approximately 27%), during the period January 1, 1953 to June 30, 1954. This reduction on top of the previous stretch-out would produce havoc in the industry and probably make it necessary to shut down at least one medium bomber, two jet fighter and three transport and training production facilities, as well as two engine facilities. Obviously the waste that would occur in the build up of production facilities would be enormous. Then, too, our production capability to meet an all-out war, instead of being improved will have been crippled, insofar as our air power is concerned.

The effect upon labor would be very harmful in that labor forces would have to be reduced, including some located in critical employment areas.

Under this limitation of funds, substantial quantities of combat ammunition would have to be deferred for 12 months. The serious danger here need hardly be mentioned further.

There are other items and activities which I shall only mention in passing which will be seriously affected and will not be possible of procurement until after FY1953 with this limitation in expenditures. These are:

a. Substantial quantities of ground support equipment and ground electronic equipment for the control of aircraft in the defense of the United States.

b. The capability of the Air Force to maintain its equipment and aircraft in a satisfactory and safe condition would be substantially reduced.

c. Stock levels of maintenance materials and consumable supplies below minimum safe levels required for present forces would result (to say nothing of the additional forces which are contemplated).

Mr. President, in my judgment the results of the expenditure limitation on the Air Force, as a consequence of the $46,000,000,000 expenditure limitation passed by the House, constitutes more than a calculated risk and might well wreck our entire preparedness program and threaten our National security. [3]

R. B. Landry

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[3] No reply to this memorandum has been found. Senate action on military appropriations at the end of June resulted in a bill appropriating $46.4 billion, and a conference with the House. The conference report carrying a $46.6 billion appropriation was approved by voice votes in both houses on July 5. (*Congress and the Nation*, p. 271)

PPS files, lot 64 D 563, "Review of NSC 68 & 114"

Memorandum by the Counselor (Bohlen) to the Director of the Policy Planning Staff (Nitze)

TOP SECRET [WASHINGTON,] May 13, 1952.

PAUL: As you know, the drafting group [1] has been working for some time now on the "reappraisal" of the 68–114 series. You have one draft dated April 3 of the sections on Bases of Soviet Action and Relative Capabilities. The proposed section on a survey of the major areas of the world has been dropped by the Steering Committee [2] because it was considered that this sort of thing lies more in the realm of intelligence estimates. A new draft on the other two sections will be ready in a day or two and I shall send you some copies. [3] It is understood by all concerned that these drafts represent only the work of this drafting group and no attempt has been made by any of the participating departments to obtain clearances.

The time has now arrived when the drafting group will be forced to attempt to produce some "Conclusions" and in fact I understand that the Defense and JCS members have already written something which they will table in the next two or three days. Although we have been pressed to contribute something, I have not wanted to send anything in writing over there on this most ticklish subject until I have had a chance to discuss it with you. I am attaching a copy of a memorandum which was designed as a "discussion piece" and I would like to get your general and tentative views on the approach contained therein to this problem.

Can we get together in the next day or two to go over this.

C.E.B.

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[1] For information on the origins of this group, see the memorandum by Bohlen, May 19, *infra*.

[2] For information on the Steering Committee, see *ibid.*

[3] No copy of Bohlen's draft paper of Apr. 3 under reference has been found in Department of State files. For an earlier draft of this paper, dated Mar. 27, see p. 5. A draft copy of the paper surveying the major areas of the world, dated Apr. 2, is in PPS files lot 64 D 563, "Review of NSC 68–114." This file also contains subsequent drafts of various papers concerned with the review and reevaluation of national security policy as set forth in NSC 68 and NSC 114.

[Annex]

Memorandum by the Executive Secretary of the Policy Planning Staff (Schwartz) to the Counselor (Bohlen)

TOP SECRET [WASHINGTON,] May 12, 1952.

Subject: A Response to NSC Action No. 575c (Oct. 17, 1951) calling for a "Reappraisal of the Policies and Programs set forth in the NSC 68 and 114 Series, including a Revision of Part I of NSC 114/2 and in the light of: (1) further analysis of Soviet atomic capability as indicated by the recent explosion of another atomic bomb in the U.S.S.R., and (2) the current evaluation of the net capability of the U.S.S.R. to injure the continental United States". [4]

We now have the latest estimate of Soviet stockpiles of atomic bombs. We are not likely to have any time soon a useful "net capability" study. In fact, from what I have heard about this study it might be better that it not be circulated formally because, unless radical changes are made in the method of developing it, it will probably be worse than useless. Leaving "programs" aside for the moment we are faced, then, with the task of reappraising the policies of the 68 and 114 Series—or, as it has become the custom to express it, our national strategy.

That being the case, the first necessity is to identify as clearly as possible those ideas which represent the core of our national strategy. The next task would seem to be to "reappraise" it in such a manner that when we are through we have a better idea than we have now of the nature of the most serious problems facing us and the manner in which we should attempt to meet them. I would suggest an approach somewhat as follows and I would think that, whether we consider this effort as the "conclusions" of the paper which the Steering Group is struggling to write, or as the paper itself, most of the following thoughts should be reflected therein:

A. During the two or three years immediately following World War II it became increasingly clear to the U.S. that its national security was again faced with a threat of major proportions and that this threat stemmed primarily from the strength and attitude of the Soviet Union, coupled with the unusual means available to the

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[4] Information on NSC Action No. 575-c is in footnote 1, p. 5; for text of NSC 114/2, "U.S. Programs for National Security," Oct. 12, 1951, see *Foreign Relations*, 1951, vol. I, p. 182. For documentation on Soviet nuclear explosions, see pp. 1185 ff. The current evaluation of the net capability of the U.S.S.R. to injure the continental United States refers to National Intelligence Estimate 31, "Soviet Capabilities for Clandestine Attack Against the U.S. With Weapons of Mass Destruction and the Vulnerability of the U.S. to Such Attack," Sept. 4, 1951, or Special Estimate 10, "Soviet Capability for a Surprise Attack on the Continental United States before July, 1952," Sept. 15, 1951, neither printed.

Soviet Union for making its strength, and our weaknesses, felt abroad, particularly the apparatus of international communism.

B. In 1948, several documents (the NSC 20 Series)[5] were prepared by the National Security Council setting forth the nature of the threat and some ideas as to what we should do about it. The summary conclusions of NSC 20/4 were approved by the Council and by the President. The essence of these ideas was that by methods short of war we would have to encourage and promote a gradual retraction of undue Russian power and change the attitude of the Soviet Union. Implicit in the development of these ideas, and all others that flowed from them, was the belief that we did not have to and should not try to attain these objectives in any specific time period. (To quote from 20/1: "In the first place, there is no time limit for the achievement of our objectives under conditions of peace. We are faced here with no rigid periodicity of war and peace which would enable us to conclude that we must achieve our peacetime objectives by a given date 'or else' "). Among the most important requirements set forth by 20/4 as essential to the attainment of these objectives were:

a. "A level of military readiness which can be maintained as long as necessary as a deterrent to Soviet aggression, as indispensable support to our political attitude toward the U.S.S.R., as a source of encouragement to nations resisting Soviet political aggression, and as an adequate basis for immediate military commitments and for rapid mobilization should war prove unavoidable", and

b. To get as much help from others as possible.

For the purpose of this study, then, these thoughts can be considered the essence of U.S. national strategy as of the date of approval of 20/4.

C. By direction of the President, NSC 68 was designed to examine this national strategy in the light of recent evidence that the Soviets had developed an atomic bomb, and to determine whether or not it was still valid and to what extent. NSC 68 reaffirmed the validity of the national strategy set forth in the NSC 20 Series, but found that our level of military readiness was inadequate—in fact, dangerously so—particularly in the light of what we could expect in the way of a developing Soviet atomic capability. The President approved the conclusions of NSC 68.

D. The rest of the 68 Series was concerned primarily with the buildup of our military strength in the light of this conclusion and of the Korean war. NSC 114/1[6] and 114/2 were generally inconclusive and in the process of preparing them sufficient doubts were raised about the validity of U.S. national strategy to make necessary the current "reappraisal". A basic question is again raised: Does currently approved U.S. national strategy remain valid in the light of the apparently rapidly growing atomic, and possibly thermonuclear, capacity of the U.S.S.R.? In other words, is time of the essence? Can we really hope to "contain" the Soviet Union even if we maintain a high-level military strength indefinitely? Or must we adopt a more "aggressive" policy? To what extent can we rely on the threat, explicit or implicit, of global war to protect the periphery? Can we seriously hope to change the nature of the Soviet Union if we place greater emphasis on the avoidance of war?

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[5] For documentation on the NSC 20 Series of 1948, see *Foreign Relations*, 1948, vol. I, Part 2, pp. 507 ff.

[6] For text of NSC 114/1, Aug. 8, 1951, see *ibid.*, 1951, vol. I, p. 127.

E. That analysis of the balance of military power between the U.S.S.R. and the U.S., as it is now and as it is expected to develop, which most sharply challenges the validity of our current strategy goes as follows:

1. If a certain number of targets in the U.S. were destroyed, the U.S. would face unavoidable defeat.
2. The Soviet Union is capable of producing the requisite number of atomic, or thermonuclear, bombs to destroy those targets and is capable of producing the means of delivering the bombs.
3. Because primarily of the nature of the weapons, the U.S. will not be capable of preventing the Soviet Union at some time in the not too distant future of delivering the requisite number of bombs on targets in the U.S.
4. We must assume—because we cannot afford not to assume—that when the Soviet Union attains such a capability, it will be used against us.
5. Therefore, we must overthrow the Soviet Union prior to the time when we think the Soviet Union can attain and employ against us such a capability. Time is, then, of the essence. We do have to attain our national objectives with respect to the Soviet Union by a certain date, "or else". That date can be put off somewhat by the nature and extent of our armament effort; but, by the very nature of the mathematical inevitability of the Soviet attainment of the capability under reference, it cannot be put off indefinitely. And our currently approved national strategy as set forth herein is invalid.

F. If, however, we examine this atomic analysis, we find that it is unsound for a number of reasons, of which the following are the most important:

1. A key part of the analysis (subparagraph E, 3) is based not only on the fact that we do not have today defenses adequate to keep out a large percentage of our attacking force but also on the assumption that we are incapable of developing such defenses for the future. (50% on target of bombs sortied seems to have been accepted as a constant.) This assumption gives *no* consideration to the fact that new weapons are constantly being developed, and that, in

the past, new defensive weapons which could successfully challenge new offensive weapons have invariably been produced. The point is that while we cannot rely on the development of adequate new weapons neither is it wise or advisable to ignore completely the possibilities in this field. That the possibilities are great is evidenced, in one important instance at least, by the fact that the atomic bomb itself was designed, developed and used within a four-year period.

2. The analysis must assume one, or some combination, of the following:

> a. That, regardless of the defensive measures which we may take, the Soviets will be able to destroy our retaliatory capacity;
>
> b. That, although the Soviets might not be able completely to destroy our retaliatory capacity, they could inflict on it such damage that we in turn would be unable to do major damage to the Soviet Union, particularly as the Soviets would measure "major damage" against the advantage of eliminating the U.S. as a world power;
>
> c. That the Soviets would be willing to accept any damage that we could inflict upon them with our retaliatory capacity in the belief that they could rebuild much faster than we could and be more successful than we in maintaining internal control.

Taking these up in reverse order we find that, although differing in degree, neither Assumption b. nor Assumption c. reflects what we know about the Soviets and the bases of their actions. In Part I of the "reappraisal" it is stated that "should the Soviets attain the capability of delivering a 'decisive' initial blow on the U.S. *without serious risk to their own regime*, they would do so"—or, at any rate, that we would have to assume that they would do so. It is also pointed out in Part I that the major preoccupation of the Soviets is with internal security and that they must consider any major war as "highly dangerous" to their regime. That they would deliberately choose a course of action sure to result in heavy atomic blows on their major centers with effects which neither they nor we can accurately predict seems highly inconsistent with the analysis.

Assumption a. and, to a certain extent, Assumption b., seems to ignore the nature of our retaliatory power, the tremendous difficulty of destroying it, the possibilities open to us of increasing that difficulty and, finally, the decisions which the Soviets would be forced to make before they could attempt to destroy it.

In the first place we must assume, at least until the contrary is demonstrated, that we are now and will remain capable of doing greater damage to the Soviet Union with atomic bombs than the Soviet Union can do to the United States *unless* the Soviets, by taking the initiative, critically damage our retaliatory striking force *before* it can be put into action. But looking at our retaliatory striking force as a single target system, what the Soviets must consider, if they plan to destroy it, is the following:

(1) Air bases scattered over half the globe, some—although not a large number at present—specifically designed for the purpose of launching strategic bombers on combat missions, but many others which could, under dire circumstances, be used for that purpose.

(2) Planes and crews which, if in the air, cannot be destroyed and which, given a relatively short warning, can somehow or other get into the air.

(3) A warning system which, in addition to a radar screen that can be completed prior to the time that the Soviets obtain the minimum capability necessary for the attempt at a decisive blow, includes the fact that if all elements of this complicated target system are not hit concurrently, the other elements will, *ipso facto*, be warned.

(4) Bombs which can be protected from destruction.

(5) Fuel which can either be protected from destruction or which can in circumstances of dire emergency be obtained elsewhere than those places designated by current plans.

(6) Potentialities for flexibility of employment of SAC which must always leave the Soviets in doubt as to how much of our striking force we could send against them if they failed to knock out all of our bases and keep them knocked out.

It is reasonable to assume, therefore, that we can maintain a position which will indefinitely face the Soviets with the following as a comparable dilemma: either that they throw all of their atomic power against ours with the strong possibility of succeeding only in eliminating both atomic capabilities, while starting a long war with U.S. industrial potential largely undamaged; or face the probability of incalculable damage to the Soviet home base as the price for rendering the U.S. incapable of a full scale effort in a long war.

G. From the foregoing it can be concluded that it lies within our power for the foreseeable future to prevent the Soviet Union from attaining the capability of waging general war against the United States without serious risk to the Soviet regime.

From what we know of the Soviets we can also conclude that it is unlikely, in these circumstances, that they will deliberately initiate a general war against the United States.

The essence of our national strategy, then, remains valid; and we can continue to work toward our objectives with respect to the U.S.S.R. without feeling the compulsion of achieving them by a certain date, "or else".

Such is the nature of relations between the Communist and non-Communist world, however, that general war is now, and will continue to be for the foreseeable future, an ever-present possibility.

Furthermore, we must assume that any general war will be sooner or later an atomic war and that, as time goes on, damage to both sides in such a war will be progressively more serious, and both general war and the threat thereof less and less rewarding.

We cannot assume from this, however, that the Soviets will cease their probing; nor that we must give up marking [*marching?*] toward our objectives. What does follow is that we must develop both a greater willingness and a greater capacity for dealing with local peripheral "cold war" situations than we have, as a nation, demonstrated to date.

HARRY H. SCHWARTZ

PPS files, lot 64 D 563, "Review of NSC 68 & 114"

Memorandum by the Counselor (Bohlen) to the Director of the Policy Planning Staff (Nitze) [1]

TOP SECRET WASHINGTON, May 19, 1952.

Subject: U.S. Objectives and Programs for National Security

As a result of its consideration of NSC 114/2, the National Security Council issued the following directive (Action 575c): [2]

"Directed the Senior NSC Staff to submit for Council consideration at the earliest practicable date a reappraisal of the policies and programs set forth in the NSC 68 and 114 Series, including a revision of Part I of NSC 114/2 and in light of:

> (1) Further analysis of Soviet atomic capabilities as indicated by the recent explosion of another atomic bomb in the USSR. [3]
>
> (2) The current evaluation of the net capability of the USSR to injure the continental United States." [4]

A Steering Committee of the NSC Senior Staff consisting of the representatives of State, Defense, JCS, CIA and ODM was set up to produce a response to this directive. The Steering Committee decided that a start should be made toward drafting a paper which would be generally responsive to the directive without waiting to receive the net capability study referred to in the above quoted direction No. 575c. A drafting group consisting of the respective Staff Assistants of the Steering Committee Members was asked to produce a first rough draft to serve as a basis for discussion. The attached is that rough draft [5] and it is in reality the product only of the drafting group, has no other status, and represents only the views of the members of that subcommittee. Part I "The Bases of Soviet Action", however, was written in the first instance in this office and substantially represents my views.

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[1] Also sent to George C. Perkins, Assistant Secretary of State for European Affairs; John M. Allison, Acting Assistant Secretary of State for Far Eastern Affairs; Burton Y. Berry, Acting Assistant Secretary of State for Near Eastern, South Asian, and African Affairs; Willard L. Thorp, Assistant Secretary of State for Economic Affairs; and W. Park Armstrong, Special Assistant to the Secretary of State for Intelligence.

[2] See footnote 1, p. 5.

[3] For documentation on Soviet nuclear explosions, see pp. 1185 ff.

[4] See footnote 4, *supra*.

The present tentative outline of the entire study calls for at least one other part in which past, present and future overall strategy would be discussed and recommendations made thereon.

There will be a preliminary Steering Committee meeting on this draft on Thursday, May 22 to be followed early next week by a second Steering Committee meeting at which it is expected that the members will be in a position to advance the tentative views of their respective departments. I would therefore like to have your comments on the attached draft in my hands no later than noon on Monday, May 26. In making your comments, please bear in mind that you will be given opportunity to see and comment on further drafts and that therefore for this first round general comments rather than suggested drafting changes would be more useful.

Please send your comments in duplicate to this office and another copy to S/P.

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[5] Not printed, but see the editorial note, p. 56.

PPS files, lot 64 D 563, "Review of NSC 68 & 114"

Memorandum by Robert W. Tufts of the Policy Planning Staff

TOP SECRET [WASHINGTON,] May 21, 1952.

Memorandum Concerning Review of U.S. Political-Military Strategy

1. An NSC drafting committee has now completed a first draft of a study entitled: "United States Objectives and Programs for National Security: A Preliminary Reappraisal of NSC 68 and 114 Policies". [1] This is in response to NSC Action 575c, October 17, 1951, which "Directed the Senior NSC Staff to submit for Council consideration at the earliest practicable date a reappraisal of the policies and programs set forth in the NSC 68 and 114 Series, including a revision of Part I of NSC 114/2 and in the light of (1) Further analysis of Soviet atomic capabilities as indicated by the recent explo-

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[1] Not printed; a copy of this 62-page study is in the S/P-NSC files, lot 61 D 167, "NSC 114." The reappraisal of the NSC 68 and 114 Series under reference culminated in NSC 114/3, *infra*.

sion of another atomic bomb in the U.S.S.R., (2) the current evaluation of the net capability of the U.S.S.R. to injure the continental United States."

2. There has been a further analysis of Soviet atomic capabilities, but the project to arrive at a net evaluation of the net capability of the U.S.S.R. to injure the continental United States has not yet been completed. Nevertheless, the Steering Committee of the NSC Senior Staff decided that it was necessary to proceed on a preliminary basis with the work called for by NSC Action 575c.

3. The drafting committee has not had access to a large body of information which relates directly and significantly to a reappraisal of NSC 68 and 114 policies. This includes information relating to the atomic tests scheduled for this fall; to the problem of civilian defense; to the tactical uses of atomic weapons; and to accomplishments in the field of research and development which may greatly affect both our defensive and offensive potentialities. Largely because of its lack of access to this information but partly for other reasons which are not self-evident, the present draft study is almost wholly irrelevant to the major issues on which this Government must take decisions within the coming months. It would be, in S/P's opinion, positively harmful for the NSC to proceed with the consideration of the present draft study with a view to its eventual approval as a reappraisal of NSC 68 and 114 policies.

4. The paper does not consider, for example, such questions as:

a. The risks associated with this fall's atomic tests;
b. The implications—in terms of relative military strength—of successful tests;
c. The exploitation of a radical shift in our favor in power ratios;
d. The implications of the foregoing for political and military policies;
e. A reconsideration in light of the above of our objectives in peace and war and the conditions of a peaceful settlement;
f. The relation to the foregoing of the actual and potential strength of our civilian defenses and of accomplishments in the field of research and development.

5. The paper also does not consider the relation of such specific problems as Berlin and Germany, Iran, Indochina, and Korea to our general strategy, even though much work has been going on through NSC channels which indicates that developments in such specific situations may have a strong and perhaps decisive influence on the conduct of our general strategy.

6. In light of the information available to it, S/P believes that the General Conclusions of the draft study are inadequate, misleading in some respects, and inaccurate in others.

7. In S/P's opinion, there is a need for a high-level review of national political-military strategy in the light of developments since the completion of NSC 68 and foreseeable future developments. This review should be made by a group having access to the relevant information. When NSC 68 was prepared, the State-Defense Working Group had very little to go on and broke almost entirely new ground. Now there has been much thought on many aspects of the problem and it is important for one group to draw together all the bits and pieces in order to see what they add up to. It should be possible to define our problems and to make recommendations with much greater precision than was possible two years ago. Such a group should include representatives of State, Defense, and JCS and should be able to consult as necessary with other departments and agencies, notably AEC, and with private citizens who have knowledge of importance to the group's work (such as the participants in Project East River). [2]

8. S/P believes that the present NSC project should be dropped after discussions with the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the Executive Secretary of the NSC and if necessary the President and after agreement with them on the setting up of a group to make a review of the kind indicated above.

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[2] Project East River was sponsored by the Federal Civil Defense Administration, the National Security Resources Board, and the Department of Defense to evaluate the vulnerability of the United States to atomic attack and the steps needed to reduce this threat. The Project published 10 volumes during the summer and autumn of 1952, and all parts except III and IV were released to the general public in January 1953. An exhaustive review and discussion of Project East River, "The Strategy of Civil Defense" is in the *Bulletin of the Atomic Scientists*, vol. IX, September 1953.

S/S-NSC files, lot 63 D 351, NSC 114 Series

Report to the National Security Council by the Executive Secretary (Lay) [1]

TOP SECRET
NSC 114/3

WASHINGTON, June 5, 1952.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON UNITED STATES PROGRAMS FOR NATIONAL SECURITY

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[1] Copies to the Secretaries of the Treasury and of Commerce, the Attorney General, the Acting Director of Defense Mobilization, the Federal Civil Defense Administrator, the Director of the Bureau of the Budget, and the Chairman of the Council of Economic Advisers.

References:

A. NSC 114 Series [2]

B. NSC Action No. 575 [3]

C. Memo for NSC from Executive Secretary, same subject, dated October 18, 1951 [4]

The President on October 18, 1951, approved the recommendations of the National Security Council (NSC Action No. 575–a) with respect to the FY 1953 national security programs described in NSC 114/2, subject to certain additional reviews and understandings stated in Reference C. Subsequently, the President requested that the departments and agencies responsible for each of these programs, prepare for his information and for the National Security Council, current summary statements of those programs, as approved by the President for presentation to the Congress.

The enclosed current summary statements, prepared in response to the President's request, reflect his decisions as to the objectives, nature, magnitude and timing of the FY 1953 national security programs, and supersede those contained in Part II of NSC 114/2. Accordingly, the enclosures are transmitted herewith for the information of the President and the National Security Council.

JAMES S. LAY, JR.

[Enclosure 1]

Summary Statement No. 1—The Military Program (Prepared by the Department of Defense)

TOP SECRET [WASHINGTON,] May 10, 1952.

The following is a statement of the military program for fiscal 1953 as approved by the President and submitted to Congress.

The Objectives and Minimum Tasks which the Program is designed to fulfill

1. The objectives of the Department of Defense program are:

a. Protection against disaster; and
b. Support of our foreign policy.

In the course of meeting these objectives, the Department of Defense program is designed to provide, at the least possible cost in manpower and national resources, a maximum deterrent to enemy aggression and, in case war occurs, give the nation a reasonable assurance of victory. However, imposed fiscal limitations will result in postponing until 1956 the full realization of the United States military capabilities originally planned for achievement in 1954.

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[2] For documentation on the NSC 114 Series, see *Foreign Relations*, 1951, vol. I, pp. 1 ff.

[3] See footnote 1, p. 5.

[4] For text, see *Foreign Relations*, 1951, vol. I, p. 237.

2. In order to attain the above objectives, the forces listed herein are intended to carry out on an austere basis the following approved basic military tasks:

a. To provide a reasonable initial defense of the Western Hemisphere and essential allied areas, particularly in Europe.

b. To provide a minimum mobilization base while offensive forces are being developed.

c. To conduct initial air and sea offensive operations to destroy vital elements of the enemy's war-making capacity and to check enemy offensive operations until allied offensive strength can be developed.

d. To defend and maintain the lines of communications and base areas necessary to the execution of the above tasks.

e. To provide aid to our allies to assist them in the execution of their responsibilities.

3. The major wartime tasks to be performed by the several Services, and the timing and nature of the operations have generated the bases that have been used for the development of the forces required.

a. Army and Navy forces, in view of their basic responsibilities, have been developed on the basis of tasks as set forth in NSC 68/4 [5] and listed in paragraph 2 above.

b. Since the Air Force is responsible for the air defense of the United States, by both defensive and offensive air operations, and since it is also responsible for strategic air warfare (both tasks being D-Day tasks), the forces of the Air Force have been developed to accomplish, under the basic tasks listed in paragraph 2, the following Air Force missions, listed in order of priority:

> (1) To defend, by both offensive and defensive air operations, critical areas in the Western Hemisphere, with particular emphasis on defense against atomic attack.
>
> (2) To conduct a strategic air offensive to destroy the vital elements of Soviet war-making capacity.
>
> (3) To assist in the direct defense of the NATO area and the defense of critical areas in the Far East, to include the defense and maintenance of essential lanes of communications and base areas.
>
> (4) To provide such aid to our allies as is essential to the execution of their responsibilities.

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[5] For documentation on the NSC 68 Series, see *Foreign Relations*, 1950, vol. I, pp. 126 ff.

The Nature, Magnitude and Timing of the Basic Elements Comprising the Program

4. a. The approved force levels to be maintained during FY 1953 are as follows:

(1) *Army**

Major Forces, Active Army	*Reductions from NSC 114/2*†
Infantry Divisions	16*
Armored Divisions	2*—1
Airborne Divisions	2*
Infantry Regts/RCTs	11*
Armored Regts	5*
Airborne RCTs	2*
AAA Battalions	110*—7
Man-year Strength§	1,552,000—73,000
End Strength Active Army§	1,552,000—44,000

Army Reserve Forces	*End FY 1953*
Ready Reserve not on Active Military Service	
National Guard	362,000
Army Reserve	580,000‡
Total	942,000

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*A portion of these units will be maintained at reduced strengths dependent upon the situation during FY 1953. [Footnote in the source text.]

†Reductions, resulting from budgetary and expenditure limitations, in force levels contained in NSC 114/2. [Footnote in the source text.]

‡FY 1953 Presidential Budget provides for 270,000 to be in pay status. [Footnote in the source text.]

§Includes West Point cadets. [Footnote in the source text.]

(2) *Navy*

Ships	
CV/CVB	12
CVL	5
CVE	10
BB	4(3)‖
CA/LL/CLAA	19
DD/DDE/DDR/DL	248
SS	110(10)‖
Mine & Patrol	200
Amphibious	296
Auxiliaries	287
Aircraft	
CV/CVB Gps	16
VS Rons	15

‖Number in parentheses indicates units, within total number, to be maintained at reduced strength. [Footnote in the source text.]

HS Rons	4
VP Rons	34
Marine Air Wings	3
ZP Rons	4
Marine Divisions	3

Total Strength	
Active Navy	835,875 (End Year '53)
Active Marine Corps	243,730 (End Year '53)
Reserve Components	
Navy	700,000 (End Year '53)
Marine Corps	107,773 (End Year '53)

(3) *Air Force*

Combat Wings

Strategic Air Forces	
Heavy Bomber	7(1)¶
Medium Bomber	30(8)¶
Strat Rcn (H)	4
Strat Rcn	6(2)¶
Fighter Escort	10(2)¶
Air Defense Forces	
Fighter Interceptor	29(4)
Tactical Air Forces	
Medium Bomber	2(2)¶
Light Bomber	5(1)¶
Fighter Bomber	22(7)¶
Fighter Day	6(2)¶
Tactical Rcn	5(1)¶
Total Combat Wings	126

Airlift Units	
Groups	
Troop Carr (H)	4
Troop Carr (M)	13(1)¶
Total	17(1)¶
FY 1953	
Air Reserve Forces	81,735
End Strength, FY '53 Active Air Force	1,061,000

¶Number in parentheses indicates units which will not become combat effective until after FY 1953. [Footnote in the source text.]

b. The target dates for the equipping and modernization of the above forces are as follows:

(1) *Army*

a. *Matériel.* Under optimum conditions only can those active forces in EUCOM and FECOM (including Korea) be equipped with combat-worthy matériel by 30 June 1952; a minimum of training equipment only will be available for other elements of the active Army. This situation is created primarily by heavy consumption of equipment and munitions in Korea and extension of the Korean operation beyond the dates previously estimated with resultant depletion in reserve stocks; budgetary and expenditure limitations under a policy of limited mobilization; added impetus on MSP deliveries for NATO pursuant to the Presidential directive (a portion of this at expense of State-side forces); and production difficulties.

b. *Training.* The target dates for completion of the training for major units are as follows:

By 30 June 1952—18 divisions
By 1 Nov. 1952—1 additional Inf. Div.
By 1 Dec. 1952—1 additional Inf. Div.

(2) *Navy*

The approved FY 1953 active forces will be in place and operational from 1 July 1952 (1 January 1953 for Marine Corps forces) on, at manning levels which are the best attainable within the budgeted personnel strengths and which will vary for different units from about 85 per cent to full war strength. Currently programmed modernization of the equipment of these active forces can be substantially completed with the funds provided in the FY 1953 Presidential budget and prior appropriations. However, because of policy decisions taken during the review of the FY 1953 Budget Estimates, dictated in part by the necessity for holding FY 1953 expenditures within prudent limits and in part by the desirability of maintaining expansible production capacity for an indefinite period of years, actual deliveries of modernizing equipment will not in all cases be completed before 31 December 1954. As a further result of the same policy decisions, the acquiring of mobilization reserves has been extended through a longer period with maximum long-range reliance placed upon the principles of industry capacity and production in being. Training, both individual and organizational, will be emphasized throughout FY 1953. In summary, although force levels remain constant, significant improvements in combat effectiveness at those levels are anticipated.

(3) *Air Force*

COMBAT WINGS	*30 Jun '52*	*30 Jun '53*	*30 Jun '54*	*30 Jun '55*	*30 Jun '56*
Strategic					
Heavy Bomb	6	6	7	7	7
Medium Bomb	20	22(14)**	27(10)**	30(1)**	30
Strat Rcn (H)	4	4	4	4	4
Strat Rcn (M)	4	4(3)**	6	6	6
Ftr Escort	7	8	10	10	10
Air Defense					
Ftr Intercept	20	25	28	29	29
Tactical					
Medium Bomb	0	0	0	2(2)**	2
Light Bomb	4	4(3)**	5(4)**	5(3)**	5
Ftr Bomb	11	15(1)**	22	22	22
Ftr Day	0	4	6	6	6
Tac Rcn	4	4(3)**	5(1)**	5	5
Total	80	96(28)**	120(15)**	126(6)**	126
SUPPORT FORCES					
(Flying)					
Air Lift Units Groups					
Troop Carr (H)	3	4	4	4	4
Troop Carr (M)	12	12(1)**	13	13	13

**The total above represents the numbers of units equipped by the designated times. The number in parentheses, included in the total, represents the numbers of wings which will not be modernized by that time. [Footnote in the source text.]

Assumptions and Policies upon which the Program is Based

5. a. The assumption that hostilities in Korea will end on or before 30 June 1952.

b. The policy that the defense build-up, as reflected in the FY 1953 Budget, will be achieved within a framework of partial mobilization which would concurrently:

(1) Develop forces possible to be maintained and equipped for so long as a period of tension may exist;

(2) Permit the active forces of the U.S. and our allies to achieve a high state of training and initial equipment as soon as feasible;

(3) Permit the expansion of our basic industrial potential concurrently with an expansion of essential armament capacity;

(4) Achieve a high level of production of long lead-time military items as soon as feasible;

(5) Maintain a continuing level of military output from living production lines over as long a period of time as feasible;

(6) Safeguard and increase the economic and fiscal strength of the nation as the essential foundation upon which an indefinitely sustained military program must rest.

Cost of the Program

6. a. The following schedule shows the estimates of the cost of the U.S. Armed Forces and the Defense Department portion of the MSAP Program for FY 1950, 1951, 1952, and 1953 (Request) by major categories.

Category Distribution of U.S. Armed Forces Costs and MDAP Program

FISCAL 1950, 1951, 1952 AND FISCAL 1953 REQUEST

(Millions of Dollars)

Major Cost Category	*1950*	*1951*	*1952*	*1953 Request*
I. Military Personnel Costs	4,558	8,154	10,385	10,933
II. Operation & Maintenance	3,749	11,443	12,051	12,223
III. Major Procure't & Produc'n Costs	2,567	22,696	29,431	21,807
a. Aircraft	(1,894)	(9,655)	(14,941)	‡‡(14,059)
b. Ships & Harbor Craft	(45)	(769)	(1,945)	(1,150)
c. Other	(628)	(12,272)	(12,545)	(6,598)
IV. Acquisition & Construction of Real Property	348	2,426	3,994	††
V. Civilian Components	739	844	703	852
VI. Research & Development	612	1,175	1,471	1,711
VII. Industrial Mobilization	94	312	143	81
VIII. Establishment-wide Activities	380	1,131	1,224	959
Total	13,048	48,182	59,403	48,566
Proposed Legislation	....	....	1,500	3,500
Total U.S. Armed Forces	13,048	48,182	60,903	52,066
MDAP Allocations to Defense	1,282	4,985	5,106	5,350
Total U.S. Armed Forces & MDAP Allocation	14,330	53,167	66,009	57,416

††Included in 3,500 figure under "Proposed Legislation". [Footnote in the source text.]

‡‡Includes $3,500 for the extension of lead time for aircraft procurement from an average of 18 months to an average of 24 months. [Footnote in the source text.]

b. If Korean hostilities do not end by 30 June 1952 it will be necessary for the Department of Defense to utilize such funds as may be available to support sustained hostilities. This may require the submission of a supplemental appropriation request during FY 1953.

c. The build-up of the military program has been stretched out so as to be accomplished within an expenditure limitation of $85.6 billion for the 18-month period from 1 January 1952 through 30 June 1953. This $85.6 billion covers expenditures of Department of Defense funds and the military portion of the Mutual Security Assistance Program. It reflects the Presidential decision that expenditures for FY 1953 for these programs should be less than $60 billion, and adds to this amount the $25.6 billion half-year unexpended portion of the $43.3 billion of expenditures estimated for FY 1952. The funds appropriated for military assistance will be utilized in such a manner as to permit the most advantageous over-all production program which can be attained, taking into consideration the combined needs of the U.S. forces and our allies.

d. Production goals for the current year remain about the same as previously planned, and it will be necessary to double the output of hard goods and construction during the year in order to achieve these goals. Production rates during calendar year 1953 will be somewhat lower than the schedules contemplated in 114/2. Under the present program, maintenance of production on a high plateau will result in greater production subsequent to 1953 than was previously scheduled and a correspondingly higher mobilization base in the event of an emergency.

e. The obligational authority included in the cost table set forth in paragraph 6 a above, for the U.S. Armed Services and MDAP, will result in expenditures of approximately the following amounts in FY 1952 and 1953, (in billions of dollars):

	Hard Goods & Construction	*Other*	*Total*
FY 1951	6.8	13.9	20.7
FY 1952	24.0	19.3	43.3
FY 1953	38.0	22.0	60.0

[Enclosure 2]

Summary Statement No. 2—The Mobilization Program (Prepared By the Office of Defense Mobilization)

SECRET [WASHINGTON, undated.]

[*Note:* The reports submitted by the Director of Defense Mobilization to the President, beginning on January 1 and April 1, 1951, and monthly and quarterly thereafter, [6] should be utilized for a fuller exposition of this summary analysis. The Budget Message to Congress of January 1952 [7] also contains detailed exposition of the fiscal 1953 program which is not repeated herein.

The mobilization program in the over-all sense was not explicitly considered in NSC 114, or in its annexes, since they were closely related to the federal budget presentation. The mobilization program (as distinguished from direct military expenditures) is largely being carried out by private industry, and direct governmental expenditures are a small part of the total program.] [8]

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[6] The reference reports of the Director of Defense Mobilization are in the President's Secretary's file at the Truman Library.

[7] President Truman's Annual Message to Congress on the Budget, Fiscal Year 1953, of Jan. 21, 1952 is printed in *Public Papers of the Presidents of the United States: Harry S. Truman, 1952–53* (Government Printing Office, 1966), pp. 63–117.

I. Concept of a Mobilization Program During Cold War

1. The mobilization program, as it was originally conceived in late 1950 and as it will continue into fiscal 1953, has been built on four concepts:

a. To attain current production rates of military equipment adequate for American forces in being, to aid NATO allies and friendly nations in accordance with our commitments, and to provide adequate military reserve stocks.

b. To develop carefully planned capacity for output of military matériel in full-scale war, to be held in reserve either as idle capacity in existing plants, as side-by-side plants with those now active, or as dual-purpose plants used, prior to full hostilities, for other products and readily convertible.

c. To expand our sources of materials, processing and fabricating facilities, and basic industries so that a current program of military production can be conducted alongside a normal civilian economy and so that an enormously expanded military effort could be supported immediately without waiting for further expansion of the industrial base.

d. Consistent with the foregoing objectives, to maintain a healthy and growing civilian economy as a valuable source of national strength to meet the possible shock of full-scale war.

2. These objectives, as formulated for the guidance of the Executive Branch, have not been altered. Reconciliation of specific conflicts between the objectives, the refinement of precise quantitative goals within each objective, and pressing for the accomplishment of these goals, have required and will require the bulk of the mobilization agencies' efforts in fiscal 1953.

3. The term "mobilization base" includes both the second and third objectives, and "industrial base" the third only. In this discussion the term "military matériel mobilization base" will be used to describe the second objective. "Industrial base" will be used in discussing the third objective. In fiscal 1953 the distinction will become of greater importance because the problems involved in attaining selectively the two objectives will be more clearly separable than in the first eighteen or twenty months of simultaneous and rapid pushing ahead on many fronts.

II. Current Military Production

4. In terms of the planned military strength in the United States and in other countries of the free world, particularly in the NATO

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[8] Bracketed note in the source text.

area, the flow of many items of current munitions production (the first objective above) is not yet great enough. Production of particular items will attain the rate necessary and level off at various times, and new models will of course always be coming in. For the program as a whole, expenditures should level off at the end of calendar 1952 and continue level at least two years.

5. In determining the point to which expenditure rates should be raised a choice was involved between short-range and long-range strength. It was necessary to decide on a position on a range between two extremes. One extreme would be to build up strictly military strength as fast as possible by freezing the models and techniques and pouring out today's arms today even though many categories would rapidly become obsolescent. The other extreme would be to minimize current production. An intermediate position would be a broader and more sustained build-up of current output while concentrating on research, development, and the mobilization base. We would then concurrently be producing substantial amounts of equipment, developing our resources, our techniques, and our production lines for the newer weapons of the future, and keeping our civilian economy as strong as possible for the long pull.

6. Because we and other free nations were girding to defend ourselves, not to attack others, we knew we could not choose the day on which our stock of weapons would be put to test—nor can we now.

7. Therefore, the nation must be strong against an attack which may come at any time over an indefinite future. With such an outlook, our best defense program has seemed to be one of moderate production of current weapons, a continued development of the newer and better weapons, and creator of greater resources and more effective production lines, all at levels which a healthy civilian economy can build and sustain as a long-range program. We have thus placed emphasis on the intermediate position, even though it entails a calculated risk.

8. The result is a production plateau to extend through 1953 and 1954. Through most of fiscal year 1953, however, we must continue to push ahead to achieve the levels required by this "plateau". Toward the end of the fiscal year 1953 the monthly rate for deliveries and construction put in place is expected to rise to about $3.5 billion. (The rate was $2.4 billion in March 1952). For hard goods only, the monthly rate is expected to increase from $1.8 billion in March 1952 to about $3.0 billion early in calendar year 1953.

9. Nevertheless, on some items, we are already facing the problem of how to schedule continued production to meet the requirements resulting from obsolescence and the need for replacement.

For the program as a whole, obsolescence caused by technological advances in matériel could become (probably early in fiscal year 1954) the primary determinant of future production needs. The date of the turning point—from buildup to maintenance—may depend on policy determinations not yet made.

III. Attaining an Adequate Military Matériel Mobilization Base

10. Outbreak of full-scale war would require rapid expansion of production of military matériel above the rate to be reached in a period of partial mobilization. As our current production nears a plateau, increasing attention must be given during 1953 to making ready added production capacity for military end-items beyond current armament needs, as a protection in case of full-scale war. Careful planning, initiative in action, and substantial direct and indirect financial assistance must be the function of government in the attainment of the second objective.

11. Development and maintenance of standby or readily convertible capacity is a necessary but not sufficient step in preparedness. The capacity must be supported by a broadening and strengthening of our general industrial base on which it must rely for raw materials, additional facilities, and, indeed, manpower with the necessary skills and experience. The government's function in all of this latter area is largely general guidance and direction.

12. The development of standby, partially utilized, or readily convertible capacity for direct military production involves special problems, techniques, and costs to the government not met in expanding and maintaining the general industrial base in an economy operating at a high and expanding rate such as we have had since 1950.

13. Planning for the military matériel mobilization base is only now getting under way. Both planning and action must be accelerated during 1953. The U.S. base must be reviewed in relation to current and future efforts to develop munitions production in the NATO countries and in other areas.

14. Following are some examples of current planning for the military matériel mobilization base. The Air Force had computed, as of early 1952, that a monthly production rate of 86 million airframe weight pounds is required under full mobilization to sustain all-out efforts in global war. This compares with a maximum production rate of 21 million pounds under the current schedule. Production for partial mobilization will in the main be on a one-shift basis. A large part of the increased capacity for full-scale war would be the result of moving to a three-shift operation. The Air Force proposes to arrange the needed additional capacity in three types of plant: (1) plants which are partly devoted to civilian pro-

duction; (2) separate plants adjacent to civilian production plants; and (3) independent plants not used for civilian production. From 15 to 20 plants are in each category. Contractors are being asked to specify their tool requirements for such plants and to estimate the cost. Obviously, however, initial tool costs represent only one segment of the cost and planning problem involved in maintenance of this standby capacity.

15. The problem of what kind of supplementary industrial capacity to develop is illustrated by the example of the hull of the M-48 tank. Capacity is approved or proposed for only half the planned rate of 2,150 a month. Plant construction has been delayed until further tests on an eleven-piece hull to replace the one-piece hull have been made.

16. Mobilization agencies in accelerating planning and action in developing the military matériel mobilization base in 1953 will seek:

a. to foster parallel and integrated planning action by the armed services.

b. to develop facilities suitable for a rapid change to three-shift operations while meeting current requirements by one-shift or other types of reduced operation.

c. to give particular attention to the manpower and training problem required for a rapid expansion of production both by adding shifts and utilizing the standby capacity.

d. to acquire or assist industry in acquiring a reserve of machine tools and other production equipment needed for shift expansion or conversion. Particular attention must also be given to the replacement and modernization of tools as it affects the expanded operations.

e. to assist in developing techniques for maintaining the military matériel mobilization base at maximum readiness; that is, in such condition that full production of military requirements may be obtained within the time that military reserve stocks would be consumed so that tactical operations will not be delayed for want of matériel.

17. In some areas of the economy, actions to achieve the desired military matériel base (second objective) merge into efforts to achieve the industrial base (third objective). The machine tool industry is a case in point. In World War II, and again in this emergency, military production waited while machine tools were designed and ordered and the industry geared up to the needs of military production.

18. To avoid such delay in the future, two things are necessary. Tools must be on hand and the tool industry must also be kept operating at a moderately high level. The problem is immediate because the backlog of orders for some tools is beginning to decline. The point at which this decline should be checked and stabilized

must be determined. The initial step is a calculation of specific and realistic requirements by the military services and by important contractors, who have the primary responsibility for identifying the tools that will be needed in full-scale war. Continuing civilian requirements, availability of existing machine tools in the economy, and government-owned reserves, must be taken into consideration. Provision must be made in military budgets for the initial slice where that has not already been done. Congress, industry executives and the public must understand the difficult long-run objectives of the program and be ready to accept and support the necessary cost. Finally, orders must be placed on a realistic basis of needs, and assurances given of their firmness. The machine tool industry is only one of several industries for which rather specific support may need to be given in the coming years to sustain production somewhat above that required by the current demands for the defense build-up and the civilian economy.

IV. Attaining an Adequate Industrial Base

19. The over-all industrial capacity of the United States is the foundation on which current military production and the military matériel mobilization base, as well as a healthy civilian economy, must jointly rest. This capacity was twice as high early in 1952 as it was in 1940. Even more important, a large part of this expansion in the great basic industries has been accomplished since 1945. A major remaining task of the mobilization program is to supplement the enormous expansion which has already taken place. Private industries' own capital has provided all but a small part of the total expansion. This will continue to be true. Guidance and direction is the function of government in developing an industrial structure capable of supporting a full war effort (the third objective) leaving until the actual war period only those minimum emergency additions which the indeterminate nature of certain full war requirements makes necessary.

20. Expenditures for new plant and equipment in 1951 were at a high level. While capital outlays in almost all manufacturing industry rose from 1950 to 1951, the increases were substantially greater among the defense-related industries. Certain of the defense-related industries, such as chemicals, electric power, and metals, are scheduling even greater capital outlays in the coming fiscal year. These actions are in accord with mobilization program objectives.

21. Two major tools have been used to channel the enormous flow of private capital in the directions desired. One has been the authority originally granted in the Defense Production Act of 1950, to permit an accelerated amortization of facilities in the determina-

tion of tax liability.§§ This permission to amortize the cost of added facilities in five years, instead of the ten to twenty-five or more years normally permitted under the corporate tax laws, may operate as a powerful inducement to make decisions to invest in new facilities. If the new facility will have maximum usefulness and earning power during the five years, the total tax liability for earnings from the investment during its life may be lessened. On the other hand, if the new facility continues to have earning power after the expiration of the five-year period throughout its normal physical life, total tax payments may be little altered, since payments in later years would be proportionately larger in the absence of the normal depreciation deduction. However, a future but real inducement to private corporate investors in new plants and facilities is the possibility that prescribed corporate tax rates may be lower after 1956 or 1957; in that event, the five-year write-off would become particularly attractive.

22. Actually, the rapid amortization of new investment over the five-year period has operated to induce additions to capacity to an unexpectedly high degree.‖‖

23. There is thus a major responsibility to make any additional grants effective in attaining the correct proportions of added capacity over the whole range of American industries. This necessitates the establishment of balanced expansion goals. The Defense Production Administration will be actively engaged in fiscal year 1953 in the task of adjusting and approving expansion objectives. This task cannot be fully completed in the sense of covering each of hundreds of industrial segments. Such determinations of the objectives for expansion are made in cooperation with other government agencies, and after consultation with industry.¶¶

24. A second helpful tool of government, useful in guiding the rate and direction of expansion, is the quarterly allocation of mate-

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§§ Outlays under certificate are currently running at over 30 percent of the country's total investment by manufacturers in new plants and equipment. [Footnote in the source text.]

‖‖ As of May 1, 1952, the total value of industrial investment thus aided exceeded $19.5 billion. Another $7.0 billion in applications were pending at that time. The Treasury is now preparing more detailed estimates of the "cost" of the rapid amortization program, in terms of lowered revenue. However, rough calculations, based on the value of certificates issued as of the end of the month of March 1952, show a probable revenue loss of $600 million this fiscal year (1952) and $1 billion loss in each of the next several years, up to perhaps five years. Varying certain assumptions in such a calculation can alter the results substantially. [Footnote in the source text.]

¶¶ Expansion goals to be reached between 1953 and 1955 have been established by DPA for just under 100 major commodities and products. Important commodities for which goals have been set include steel, pig iron, manganese, chrome, lead, and a number of nonferrous metals. Aluminum, copper, and numerous other commodities are still under study. [Footnote in the source text.]

rials going into industrial construction. This will also be used in the light of balanced expansion goals as those are established. As materials controls become less of a limiting factor on private industrial planning and actual construction, this tool will be dulled.

25. Some of the expansions planned by American industries in the next three years are very large. To a considerable degree they represent capacity sufficient to support a future war economy on the one hand, and on the other to support the current output of munitions, new capital investment in tools and equipment, and the requirements of a healthy civilian economy in the absence of full hostilities. The higher of these two requirements is theoretically controlling in determining an expansion goal. Except for some critical raw materials, official Defense full war requirements are often not available, and goals tend to be based on requirements of partial mobilization plus a high level of civilian activity, rather than full war.

V. Healthy Civilian Economy

26. The fourth objective of the mobilization program encompasses achieving the other three while at the same time maintaining a healthy and growing civilian economy as a valuable source of national strength.

27. The present security program is large, but the strain on the economy caused by the program so far has been surprisingly small. Though the impact in the coming fiscal year will be larger, it is well within our economic capabilities. Actually, a larger program would be economically feasible if it were militarily desirable and if political and public support for larger military appropriations could be developed.

28. Since the beginning of the mobilization effort, total gross national product has increased more than have governmental security expenditures. Through 1953 this relationship is likely to continue. Moreover, if total private investment declines as seems possible, more output will be available for personal consumption. Consumer expenditures in 1951, measured in real terms, were only slightly lower than in 1950, but higher than any other recent year. This decline was only partly, if at all, the result of shortages since the demand for many commodities did not keep up with output.

29. The requirements of the defense program, however, did noticeably affect some segments of the economy in 1951. Housing starts declined, less essential civilian construction fell, and passenger cars and other consumer durable goods production was reduced. Credit and other anti-inflationary controls and materials shortages were partially responsible for this decline but falling off in demand also played a part. Rising military requirements for ma-

terials, as well as for defense-supporting industries, made necessary, during the first quarter of calendar 1952, contractions in the output of consumer durable goods, and, in some instances, public and private investment, but significant expansion will be possible in the second and third quarters barring severe strike losses.

30. With the expansion of total output, as well as that for key materials expected in the next two years, consumer supplies can, in general, expand beyond any levels previously reached in this country. Such temporary curtailments in limited areas as may be necessary will not involve sacrifices for the general public which can be regarded as severe measured by levels of consumption in 1948-51.

VI. Expanding Production of Raw Materials

31. Underlying all four objectives is the need to provide assured sources of all essential raw materials. The United States is, in whole or in part, dependent upon sources outside its continental boundaries for many key materials—iron ore, manganese, petroleum, wood pulp, natural rubber, industrial diamonds, nickel and certain other alloying metals, copper, zinc, and lead, fibres, and some staple foodstuffs. For some materials, there simply is not enough in the whole free world to meet an unrestrained U.S. demand, including a satisfactory rate of stockpile building. Congress has provided authority in the Defense Production Act for a program of expansion. The program has been developed and is being carried out. When it is completed, it should take care of all but a few problems of shortages. However, shortages of many metals will last through calendar year 1952 and to a lesser degree into 1953, and in some cases it will be 1955 or beyond before requirements are met (i.e., nickel and certain other alloying metals). For a few commodities, such as copper, unrestricted requirements may continue to exceed supply for two or three years, although essential requirements may be met in the latter part of the current year. There will be no single date on which all shortages will be ended.

32. Major responsibility for implementation of materials expansion rests in the hands of private producers, both at home and abroad. Success of government efforts to extend the scope of exploration, the construction of new mining or processing facilities, and the immediate supply from existing sources depends heavily on the actions of private producers. Government stimulation is provided mainly through accelerated tax amortization, long-term contracts guaranteeing "floor" prices, grants for exploration, direct purchases of high-cost output for the stockpile and purchase-and-resale-at-loss operations in particular commodities. Increased emphasis is being and must be given to the expansion of secure for-

eign sources of supply by both private and governmental undertakings in order that the U.S. may meet its requirements for raw materials in the years ahead. Budget funds required are primarily working capital for the purchase and resale operations, which may or may not result in actual losses.*

33. To meet the four objectives of the present mobilization plan, larger amounts of some materials may be required, paradoxically, than under full war conditions. Sharp reductions in wartime civilian usage could bring this result. In other cases, however, the opposite would occur and demand would sharply increase. In these latter cases, conservation and substitution measures are crucial. Balancing the alternative of conservation possibilities with the concept of ready-but-not-currently-used facilities to increase output after war began (thus treating the problem as part of the second objective) will remain a key problem in planning for this group of materials during 1953.

34. Achievement of a satisfactory position in several materials, for which known and potential free world sources are inadequate under conditions of either defense mobilization or full war, requires efforts to channel demand away either by substitution or other materials (which may either be more expensive or technologically unfamiliar), or by conservation, i.e., use of smaller quantities to achieve the same results. Those cases where the current supply is reasonably adequate but long-run balance is doubtful, or where supply is inadequate under either situation, will receive major attention during the coming year.

VII. Guidance in the Distribution of Materials

35. To sustain day-to-day progress in the attainment of the four mobilization objectives, some government guidance is needed over the flow of materials, to meet current consumption needs, stockpile goals, and construction requirements. The Defense Production Administration is charged with basic responsibility for guiding the use of resources in the economy, and especially of the materials which have a central controlling role in the direction, volume, and pace of industrial output and of the expansion of facilities. In carrying out this responsibility, DPA has followed the policy that the determination of the security needs of the nation is a matter for the Department of Defense, and that the task of the mobilization agencies is to meet the material requirements of that program. In the event

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* For fiscal 1953, an increase of $900 million in borrowing authority to cover raw materials and other expansion requirements has been requested of Congress in addition to the existing borrowing authority of $2.1 billion. Ultimate costs to date of the total expansion program are estimated at only $200 million, but a much larger sum is tied up in working capital funds. [Footnote in the source text.]

those requirements are so large as to interfere very seriously with essential industrial programs, the question would be taken to the President as to whether military or industrial needs would be cut.

36. So long as military demand plus the needs of the stockpile requires the diversion from civilian use of a substantial percentage of the total supply of particular materials the government must take responsibility for control. There are three reasons for this:

a. There must be assurance that military needs are met. This is a relatively simple problem, once the program is determined, since military orders are readily identified for preferential treatment.

b. There must be assurance that defense-supporting and essential civilian needs also are met. This is a complex problem involving the maintenance and expansion of industry, the stockpile, the materials sources themselves, the agricultural base, and the transportation and communication services.

c. There must be a fair division of the remaining supply among less essential needs. This is a difficult problem in reconciling clashing interests, and the Government must perforce take primary responsibility for its solution.

37. Because of the easing of the materials situation in the Spring of 1952, consideration has been given in consultation with industry and claimant agencies to the future relaxation of the Controlled Materials Plan, which governs the distribution of steel, aluminum and copper. Top priority for essential defense projects would still be retained. The intention otherwise is to remove the demand-control aspect of CMP to the maximum extent possible, but to maintain standby control machinery ready for future use if needed. Maintenance of the control function as such is dependent upon extension, beyond June 30, 1952, of the necessary authority from Congress.

38. In addition to the controls exercised on the three commodities through CMP, the Government intervenes in a wide range of other commodities to insure their proper allocation, conservation and end-use. This is particularly important for the nonferrous metals which will continue to be in short supply.

39. *Stockpiling*—The development of a national stockpile is partially dependent upon the authority for general control over the flow of materials. The policy is now established that controls will not be completely abandoned in any case until stockpile needs are met.

40. Building war-reserve stocks of key materials, owned directly by the Government, rests on the assumption that supply sources outside the United States during full war would be subject to loss or crippling by enemy action, or that these sources plus domestic sources of supply in a full war period would be inadequate tc meet enlarged demands. The stockpiling program of the Munitions Board antedates the 1950-52 mobilization effort. (The status of the

stockpile is covered in the summary statement on the National Stockpiling Program (No. 5) below.) The stockpile goals will be given thorough review in the coming year, particularly to define various levels of urgency, to eliminate some materials, and to emphasize the particular materials where expansion or purchase programs should be stepped up.

41. In this review the "rating band" to which a strategic and critical material is assigned will reflect a judgment as to the supply position that would exist should total war come in January 1953. After the materials have been assigned to agreed rating bands, determination of the action to be taken beyond present expansion or controlled measures will be made. It is anticipated that these actions may include extra-ordinary programs to expand supplies, development of transportation facilities, encouragement of construction of additional processing facilities to prevent disruption of supply through destruction of one of the limited number of present facilities. The Defense Production Administration will be charged with responsibility to see that there is implementation of the action recommendations.

42. How the four objectives of the program are balanced has been strikingly illustrated in the management of the current purchasing for stockpiles in the past eighteen months. Where necessary to bolster current supply, particularly to permit carrying out expansion programs for new munitions facilities (the second objective) and for additions to the industrial base (the third objective), current output of some materials destined for the stockpile has been diverted to current consumption. In other instances, materials actually in stockpile have been released. The maintenance of a healthy civilian economy (the fourth objective) has also been taken into consideration in these decisions.

43. *International Action to Meet Defense Needs for Raw Materials*—It became clear, shortly after the outbreak of hostilities in Korea, that some action in the international sphere was called for to support national efforts to channel the flow of scarce materials to defense and essential civilian needs. In early 1951, the International Materials Conference, (consisting of seven commodity committees, a central group, and a staff) was established. The raw materials selected for coverage by the commodity committees were those which required immediate attention because of the widespread need for them and the great apparent shortage. The seven committees are as follows: Copper-lead-zinc; Cotton-cotton linters; Manganese-nickel-cobalt; Pulp-paper; Sulphur; Tungsten-molybdenum; and Wool.

44. The first task of the committees was to review the facts of supply and demand. The second task of the committees was to de-

termine what, if any, action should be recommended to governments to alleviate the difficulties revealed by a review of the facts.

45. In a number of cases the facts revealed such a disparity between available supplies and the requirements of the free world for defense and essential civilian purposes that the committees recommended distribution according to defense and essential civilian requirements. Sulphur, tungsten and molybdenum, copper, zinc, nickel and cobalt were thus recommended for allocation. These allocations are renegotiated periodically, usually quarter by quarter.

46. Other commodities studied by the committees were not recommended for allocation. Supply and demand in lead and manganese were judged to be about in balance; cotton and cotton linters, while in short supply last year, are now expected to be much easier; the Wool Committee did not agree on the scope of the wool shortage, nor on steps to alleviate it. The Pulp and Paper Committee has recommended small emergency allocations of newsprint to help the press of many countries of the free world continue in operation, but no over-all allocation of newsprint or pulp has been recommended.

47. The share of world supply recommended for the United States has, in every case, corresponded closely with the share the United States secured for itself in the days of free competition for supplies in the years 1948, 1949, and 1950. At the same time, the general acceptance by the governments involved of IMC allocation recommendations has helped to check what might have been runaway price increases in the short materials.

48. It seems clear that efforts to solve problems of shortage or surplus in raw materials must be developed on a basis of genuinely effective cooperation among a fairly large number of sovereign states and their industries. If such cooperation had not been developed, countries might have bargained the raw materials they held or controlled against the raw materials and manufactured goods they needed; but to do this on a narrow bilateral basis would have led only to holding back supplies, reducing levels of production and increasing international animosity. Instead of trading one specific commodity or resource against another, countries must "trade" all commodities in general cooperation for the defense of the free world. Leadership by the United States in supporting this principle will continue to be of prime importance in obtaining a fair share of the free world's raw materials for the U.S. and in bolstering public support for mobilization in allied or friendly countries of the free world.

VIII. Manpower

49. A primary problem in the manpower field in fiscal year 1953 will continue to be an accurate assessment of manpower requirements and supply for a mobilization program of varying size and for full war. Under current plans the active strength of the armed forces will increase by about 100,000 to 3.7 million men at the end of fiscal 1953. This further augmentation will not have a serious impact on the size of the civilian labor force. Furthermore, by the second quarter of fiscal 1953, the number of soldiers returning to the civilian labor force is expected very nearly to equal the number of men entering the armed forces. Thus, under the mobilization program currently scheduled, it may be said that the worst impact on the civilian economy of manpower withdrawals for the armed forces has already been felt. Civilian employment including non-defense and defense employment which is now over 61,000,000 will rise to between 62,000,000 and 63,000,000 in fiscal 1953. Civilian employment in defense industries will rise to over 7 million. Barring significant changes in the active strength levels of the armed forces and given the gradual acceleration of the defense production program in fiscal 1953, manpower resources appear to be adequate to meet both civilian and military needs during the year.

50. As time passes the increasing number of men who have been released from the services will swell the reserve forces. This could result in a situation where the main initial complements for expansion of forces in full war would be subject to direct call by the military. Thus it is important that a sound reserve call-up policy be developed which will recognize fully the civilian requirements for manning defense industries in full war.

51. The development of a military material mobilization base (second objective) will also require detailed planning to insure manpower needs can be met in both partial and full mobilization. Ideally, the second objective—literally achieved—would result in creation of a standby pool of skilled employees, trained and ready to step into the expanded production lines of a war economy. This is impossible policywise since it would necessitate idling of many employables for an indefinite period. Encouragement of specialized training programs for workers is a partial answer. Extensive knowledge of available skills potentially transferable from current employment also is a partial answer. Experimentation with the most effective short-period training methods is another.

52. Planning for future manpower needs, plus wide publicity for the resulting aims and plans, will continue in 1953 as a major preoccupation of the manpower agencies.

IX. Stabilization of Prices and Wages

53. All four of the basic objectives are affected, and their success conditioned, by money costs. Cost-price increases could seriously handicap the immediate procurement program since they would in effect reduce Congressional appropriations and would also impair production incentives. Similarly, inflation could slow down the creation of the mobilization and industrial base by disrupting investment plans which are derived from multiple decisions made by private concerns.

54. After Korea, a speculative boom skyrocketed prices to very high levels; although wages lagged somewhat, they also rose rapidly. In January 1951, after it was recognized that monetary and fiscal controls were inadequate, direct controls were imposed. From that time retail prices remained relatively stable until September 1951 when they rose again slightly until February 1952, followed again by a slight drop. Wholesale prices, being more sensitive in reflecting speculative pressures, fell steadily from March 1951 to April 1952. Wages have risen steadily since Korea and have not shown signs of weakness as yet. However, average weekly hours in manufacturing have declined. Unemployment is still at exceedingly low levels, so that consumers' disposable income has been maintained at a high level.

55. It is anticipated that in the absence of a further speculative buying crisis, the trend toward weakness which has developed in some markets will continue; but strong price pressures on industrial materials and fabricated products will also continue for the balance of fiscal 1953 and probably as long as military spending and private investment remain at presently projected high levels. Wages will probably continue to rise moderately.

56. When the decision to impose direct price and wage control was made and the general freeze instituted early in 1951, the price and wage structures had been badly distorted by the sudden speculative boom. The first task was to smooth out the imbalances at the lowest levels that were fair and equitable. This involved some rollbacks as well as some increases. In areas where that process is complete we have attempted to hold the line except in cases of hardship, within general standards established to measure the merit of requests for ceiling increases. While these standards do not need to be and are not as rigorous as they were in full war, it is necessary that they be established at some level and held consistently in order to assure that no industry or business group gets special treatment.

57. The standards developed to date include the "industry earnings standard", the "product standard", and the "essential supply" standard.

58. The industry earnings standard allows industry-wide price relief when the earnings to net worth ratio of an industry falls below 85% of that ratio in the three best years during the period 1946–1949. This standard uses the excess profits tax test and says essentially that so long as an industry as a whole is in the excess profits tax bracket it shall not be entitled to price relief. In the spring of 1952, this standard became an issue in the steel cases where it resulted in denial of ceiling increase requests which were made as a result of the wage increase recommended by the Wage Stabilization Board. The standard has been attacked on the ground that it does not allow sufficient incentive in cases where large expansion is desired and necessary and also that it applies a rigid dollar test to stockholder earnings in a situation where farmers and labor both are on escalators which allow increases with the cost of living and in the case of labor may also include an annual "improvement" addition to wages.

59. The product standard is designed to assure that no industry is forced below the break-even point in producing a particular product line. The essential supply standard is rarely used but can be applied to justify price ceiling increases where necessary to insure supply which is essential to the national defense.

60. Requests for wage increases are considered within the framework of several criteria. Under present policies wage increases are limited to compensation required because of increases in cost of living, correction of inequities in pay scales, operation of merit and length of service systems, establishment of health and welfare plans on a limited scale, and recruitment of workers into defense industries. The increases required by increased productivity or annual improvement clauses have also been approved where they existed before controls. A policy to allow annual improvements in new contracts may be approved in fiscal year 1953 or perhaps earlier.†

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† In a recent major dispute in the oil industry, the Wage Stabilization Board recommended something more than could be justified under the specific wage policies established heretofore. It was made on the ground that it was "fair, equitable and not unstabilizing." It should be noted that in its disputes function the Board has not been required to keep within established specific policies.

The oil recommendation taken together with that in steel will undoubtedly act as something of a target for future negotiations, although every effort has been exerted to make clear to labor and industry that every case must be considered separately on its own merits and only after the fullest free collective bargaining possible. [Footnote in source text.]

61. Since institutional factors of great complexity increase the difficulty of reducing wages to reflect possible price declines, serious profit squeezes can be anticipated during fiscal 1953.

62. Credit control measures taken to date include the Voluntary Credit Restraint Program which aimed at reducing credit expansion in the non-defense areas, and Regulations X and W which applied restraints on housing and consumer durables credit. In response to the softening markets in the Spring of 1952, in many construction materials and most consumer durables, the Voluntary Credit Restraint Program and Regulation W have been put on a standby basis.

63. The softness in some markets has also been reflected in the price control program by the development of a price ceiling-suspension policy. Its purpose will be to keep price controls flexible enough for the presently mixed and changing market situation. Ceiling suspension action will be taken where the market price is "materially below" ceiling and there is no prospect of a need to reimpose the control in the near future.

64. Stabilization activity in fiscal 1953 will center around developing further policy with reference to (a) the market softness which probably will continue, (b) the rising level of wages and its accompanying effect on profits and incentives for investment, and (c) changes in monetary and fiscal measures which may be required by changes in the total economic situation.

X. Protection of the Industrial Base in War

65. An integral part of future mobilization and defense planning will be the problems of potential damage to industrial and economic capacity under war conditions. This is a new element in American planning, as compared with the two World Wars. Calculation of claims upon scarce resources during future hostilities must include the potential drain of enemy-inflicted damage.

66. During fiscal year 1953, there will be a growing emphasis on this segment of mobilization planning, under the leadership of NSRB, ODM and the National Security Council. The Council itself has already taken action in one portion of this area through its Interdepartmental Committee on Internal Security, which is concerned, among other things, with preattack security and problems of sabotage and personnel risks. Another portion is the "emergency phase" planning and nationwide organization under FCDA, which is also concerned with a number of preventive and damage-reducing measures. Its work is discussed in summary statement on the Federal Civil Defense Program (No. 4) below. A final area of necessary planning and forethought will be the rehabilitation burden following upon attacks, once the immediate emergency phase of an

attack has passed. Active development of these phases of the mobilization program will involve a new phase of consultation with communities, industry groups, and local governmental units in the coming year. Here also the problem is not primarily one of current budget appropriations by Congress (except for important portions of FCDA activity), but of integration of effort between private industries or services, local communities and governments, and the appropriate Federal agencies.

XI. Federal Budget Requests in Fiscal Year 1953 to Support the Mobilization Program

67. Just over 1.1 billion dollars in new obligational authority is being requested in FY 1953 to finance the mobilization program (see Table I). The great bulk of the funds requested ($900,000,000) is to increase the borrowing authority of DPA required to continue the expansion and purchase-sale programs being administered by DPA, DMPA, RFC, and the Department of Agriculture. Since some of this amount is for working capital needed in purchase and resale programs, net expenditure may ultimately be much less. A significant fraction is for administrative expenses of the mobilization agencies.

65. This authority plus related new obligation requests for mobilization activities in 1953 total 1.5 billion. This excludes expenditures by the Department of Defense, Department of State, Mutual Security Agency, Atomic Energy Commission, and the Federal Civil Defense Administration, which are budgeted separately. It includes budget authority for the promotion of the merchant marine, defense housing, community facilities and services, and Defense Transportation Administration.

TABLE I

Direct requests for new obligational authority in the fiscal year 1953 budget are as follows:

Expansion of Defense Production	$900,000,000
Other defense production and economic stabilization costs	236,960,000
Defense production activities (Natural resources)	5,500,000
Defense Production activities (Labor)	2,800,000
Total direct mobilization included in National Security Programs	$1,145,250,000

Related programs included in Budget estimate of National Security Programs

Promotion of Merchant Marine	$72,543,000

Related defense programs not included in Budget estimate of National Security Program

Defense housing, community facilities and services	325,400,000
Defense Transport Administration	2,800,000
	$328,200,000
Grand total direct and related defense mobilization activities	$1,545,993,000

69. This direct cost of mobilization represents only a small fraction of investment and expenditure which has been flowing—and will continue to flow—into the mobilization-affected segments of the economy. Private investment is financing the bulk of the expansion of industry necessary to meet defense needs and maintain a high level of civilian production.

70. The aggressive action of private industry to expand capacity has been partly a response to the large and increasing volume of direct procurement by the armed services and partly a desire to take advantage of the provision in the Defense Production Act for accelerated amortization of plants and other incentives. Of equal, if not greater importance, has been the influence of optimistic expectations of the level of business activity over the foreseeable future. All segments of the economy have been affected to a degree. Gross private domestic investment rose to a new post-World War II high of 59 billion in 1951 (see Table II). In 1952 it is expected to decline and may fall further in calendar 1953 as the requirements of the total mobilization program for new capacity and new equipment are gradually fulfilled.

[Here follows Table II, setting forth the actual and projected movements of the gross national product, national security expenditures, and gross private investment between 1950 and 1953 (projected).

[Here follows Summary Statement No. 3, a 12-page report on the Mutual Security Program prepared by the Office of the Director for Mutual Security. For documentation on the Mutual Security Program, see volume I, Part 1, pages 460 ff.]

[Enclosure 3]

Summary Statement No. 4—The Federal Civil Defense Program (Prepared by the Federal Civil Defense Administration)

SECRET [WASHINGTON,] March 26, 1952.

1. The Civil Defense Program [9] is designed, through the use of an organized and trained civilian population, to minimize the effects of enemy attacks and to insure the retention of our productive capacity and will to fight. FCDA is approaching its objectives through two phases: (1) the planning and developmental phase and (2) the operational phase, which arises during a period of civil defense emergency.

2. The Federal Civil Defense Administration, as a result of continuing study and analysis, as well as the recent availability of final 1950 census data, has revised its list of target areas used for civil defense planning purposes. The present list, announced on February 4, 1952, includes 191 target areas, of which 67, including 89 principal cities, have been designated as critical target areas from the standpoint of atomic attack. The civil defense plan contemplates organization not only for effective defense of these areas but also for the possibility of attacks on other areas throughout the Nation by atomic, biological, chemical and other weapons. In brief, the plan provides for individual and community self-help, for aid to be made immediately available from neighboring communities when needed through the operation of mutual aid agreements, for mobile support forces to move in on orders from unaffected areas, and for fixed support facilities in the unaffected areas to furnish aid to casualties and refugees.

3. Progress toward a state of operational readiness is being made, although it is admittedly uneven in the several States and localities, and among the several programs within the total civil defense plan. Local organizations are being staffed, volunteers being recruited and trained, supplies and equipment being procured, mutual aid compacts being concluded, and mobile and fixed sup-

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[9] Further documentation on the Civil Defense Program is in the NSC 131 Series, "Evacuation of Civilian Population in Civil Defense," May 19 and June 12, 1952 in the S/S-NSC files, lot 63 D 351, NSC 131 Series.

port forces and facilities being organized. Perhaps the best index to hard, material progress, however, is the Federal appropriation record, because of its direct relationship to civil defensive strength. That record is summarized in the accompanying table,[10] and shown in relation to the estimated total non-recurring program cost. It will be noted that the latter item has increased, largely as a result of the addition of 13 new critical target areas, as indicated in par. two above. For fiscal 1953, the FCDA submitted an original budget request in the amount of $1,041,149,950. Following the President's approval on October 18, 1951, of NSC Action No. 575-a,[11] and in compliance with the directive inherent in that approval, the FCDA submitted a supplemental request which, together with the original submission, would have made possible the procurement of all of the non-recurring items in the total program except a few on which delivery could not reasonably be anticipated during fiscal 1953. The Budget decision to limit the combined requests to a total of $600,000,000, however, necessitates that the completion of this part of the program be substantially deferred, as set forth below.

4. The table reveals that by the end of fiscal 1952, less than 5% of the required protective items can be in place. If the total amount requested in the Executive Budget for fiscal 1953 is appropriated, an additional 30% of the needed program items can be procured. Under the best of circumstances, however, more than 65% of the total program must be deferred until fiscal 1954 or later. In more specific terms, by way of example, the several programs will have achieved the following degrees of readiness by the end of fiscal 1953, assuming that the requested appropriations are forthcoming:

a. Medical supplies will be adequate to carry 2,000,000 surviving casualties through two weeks, although only half the necessary improvised hospital equipment will be available. The total program makes provision for two weeks' care of 5,000,000 living casualties surviving the first 24 hours after attack.

b. Slightly more than one-half the needed portable pipe, water purifiers and chlorinators and mobile generators will be stockpiled.

c. 60% of the necessary cots, blankets, and cooking equipment will be available.

d. The national attack warning system will be in place, and each of the 191 target areas will have bell-and-light and radio alert facilities to transmit the alert to an average of ten points within each target area. Two-thirds of the necessary sirens and other public warning devices will be installed.

e. Necessary organizational equipment for communications will be in place in the 67 critical target areas, in State Control Centers, and in some of the remaining target and support areas. More than one-half of the total requirement, however, will remain to be met.

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[10] Not printed.

[11] See footnote 1, p. 5.

f. 2350 fire pumpers will be in place, out of an estimated 6000 needed. Fire wardens will have 420,000 portable extinguishers of an estimated 800,000 needed.

g. Rescue teams will have available 1725 equipped rescue vehicles, and an additional 2025 sets of rescue tools. The estimated requirement is 9600 equipped vehicles.

h. Through the use of presently adequate facilities, the modification of the maximum number of existing facilities, and a small amount of new construction, protective shelter will be available to 18,150,000 people who need it. No adequate shelter will be available to an additional 15,350,000 people who are normally to be found in areas of likely bomb damage.

5. Although Federal expenditures by the end of fiscal 1952 will equal less than 5% of the total requirement, there are some hopeful signs in other quarters. States and localities have appropriated nearly 20% of the total amount to be required from them. Approximately 15% of the total estimated requirement for volunteers has been met (exclusive of those who have merely registered, or indicated a willingness to serve). There has been increasing evidence of interest on the part of industrial leaders in adequate civil defense measures in their plants, although it is too early to point to substantial specific accomplishments. A major gain has been the rapidly increasing public awareness of civil defense, the rate of increase in less than a year being unprecedented in the experience of one opinion research group. A major danger, however, has been the growing public faith in the ability of military measures to provide complete security. Morale-building magazine articles and public statements on radar, intercept squadrons, and wonder weapons are giving growing numbers of people a false sense of security and are hurting the civil defense effort. Balancing the gains and losses, however, there is noticeable progress in civil defense. It is reasonable to anticipate, assuming that the funds requested in the Executive Budget for 1953 are appropriated, that the civil defense program will be approximately one-third complete by June 1953, in terms of both material items and trained volunteers. The rate of completion thereafter can only be speculative, depending on the availability of funds.

[Here follow Summary Statements Nos. 5 and 6. Statement No. 5 is a 3-page report on the National Stockpiling Program compiled by the Department of Defense. Statement No. 6 is a 5-page report on the Foreign Information Program prepared by the Department of State. Neither is printed.]

[Enclosure 4]

Summary Statement No. 7—Foreign Intelligence and Related Activities (Prepared by the Central Intelligence Agency With the Concurrence of the Intelligence Advisory Committee)

TOP SECRET [WASHINGTON,] April 17, 1952.

Foreign Intelligence

1. Insofar as possible the intelligence programs of the intelligence agencies and CIA are tied into the President's over-all program for Fiscal Year 1953, although in many cases indirectly. It should be noted, however, that many of the functions and programs of intelligence must be of a continuing nature quite apart from the specific aspects of any given over-all annual program. Thus the departmental intelligence agencies and CIA, which compose the Federal Intelligence Community, must make certain that the substantive objectives controlling their collection, research, and estimating activities are properly related to the problems posed by the Soviet world and to others which confront the National Security Council. These activities must be so developed and related that the resources of each provide maximum support for the attainment of these objectives. Many intelligence programs have an intimate bearing on one another or are a composite of departmental programs and activities so that the strengthening of our habits and means of collaboration is in a sense a major part of the intelligence program.

2. As a matter of convenience and means of giving an appraisal of the extent to which intelligence programs may achieve their goals for Fiscal Year 1953 within the resources available the following are analyzed below separately:

a. National Intelligence Estimates;
b. Research in support of National Intelligence Estimates and intelligence programs for departmental needs;
c. Current intelligence; and
d. The collection of intelligence information.

3. *National Intelligence Estimates:* These Estimates, under the arrangements developed since October 1950, are today the authoritative intelligence opinion of the Government. Through the support of the programs for research and collection discussed below, and with the existing resources employed directly in the estimating program, it is expected that continued improvement in the quality of our National Intelligence Estimates can be expected during the period under discussion.

4. *Research in support of National Intelligence Estimates:* "The achievement of the standard of research in support of National Intelligence Estimates, which is our goal, must be viewed in terms of years rather than a limited period such as FY 1953. This achievement is dependent on a sharper definition of the essential research required, on new methods of cooperative effort, and in certain cases on increases in staff.

a. *Political intelligence research:* The political intelligence programs of the Department of State are oriented towards the urgent problems confronting the NSC and the policy makers in the Department, towards research-in-depth into the situations out of which the immediate problems arise, and towards new demands for specialized intelligence products, notably in the psychological warfare field. Adjustments have been made, and will continue to be made, in organization and in priorities with a view to meeting these objectives. However, it remains true that the intelligence production resources of the Department are insufficient to meet urgent and specialized needs and at the same time to maintain the research effort essential in the longer term if intelligence efforts directed at immediate problems are to have a sound basis.

b. *Military intelligence* as a result of Korea and the threat of hot war is faced with increased demands of an operational nature. At the same time it is faced with responsibilities in support of National Intelligence Estimates. The Military Services will also bear the brunt of the increasing demands of NATO and its commands for tactical and strategic intelligence. Despite efforts to rationalize intelligence research activities to meet these demands, the resources presently allocated to these activities will not permit such demands to be met as they should.

c. *Economic intelligence:* It is expected that the coordinated program which has been launched for the systematic analysis of Soviet and satellite economies will have made considerable progress during this period. It should provide a better, though by no means complete, appraisal of the long-range capabilities of the USSR and should suggest possible avenues of U.S. counteraction by exposing economic vulnerabilities. By the end of FY 1953 the cooperative research in this area under the guidance of the Economic Intelligence Committee should have made satisfactory progress toward defining the major problems, identifying the available and relevant information existing in the Government, developing new methods of research and producing a substantial number of studies which will provide a firm foundation for National Intelligence Estimates and reliable departure points for continuous survey and appraisal of Soviet economic activity. The needs of intelligence support for economic warfare have not yet been clearly defined though it is believed they will be of a magnitude beyond the existing resources of the intelligence community.

d. *Scientific and technical intelligence*, to a certain extent like economic intelligence, is a responsibility of the agencies in respect of their individual needs. The intelligence community is seeking to define clearly the areas of responsibility in this field and will develop mutually satisfactory arrangements for pooling of resources requiring joint effort. This planned cooperative attack on vital scientific and technological intelligence problems should result by the end of FY 1953 in considerable improvement. Notable success in these respects has already been achieved in the coordination of atomic energy intelligence.

e. *National Intelligence Survey:* The production schedule for NIS has been revised during the last year to take into account changed world conditions. It is expected that the goals established for the coming year will be substantially met with the existing resources available for this program. This year's program will be the equivalent of eight complete country national intelligence studies. This will leave approximately 60% of the high priority areas to be completed.

5. *Current intelligence* programs are of course related to both operational and strategic needs of the departments and the President and are keyed to the responsibility of intelligence to provide warning of imminent attack by hostile powers and of situations abroad affecting U.S. security. For purposes of this warning the collaborative efforts of the current intelligence resources of the departments and CIA are brought together through the IAC Watch Committee. It is expected that by the end of FY 1953 the individual and cooperative efforts should be more sensitive in the detection of hostile threats as well as current trends which necessarily have a bearing upon National Estimates and policy matters.

6. *Collection*: The guidance for those resources devoted to collection activities both overt and covert should be materially improved by virtue of the foregoing programs although the nature of the Soviet society will greatly limit our achievement. Programs are being designed to exploit more effectively existing U.S. governmental and other available sources of overt foreign intelligence information which have hitherto gone unexploited. Although by far the greatest quantity of intelligence information can be collected by overt means, much of the most critical information needed can be obtained, if at all, only by clandestine means. The objective here, because of the difficulty of the target, namely, the Soviet orbit, must be to define clearly the most important targets. United States efforts in clandestine operations are relatively new and the number of personnel trained and qualified as is necessary for successful operations is small. Clandestine intelligence, therefore, must be viewed in the long perspective of 15 to 20 years and our objectives for the Fiscal Year 1953 call for the elimination of marginal targets and greater concentration on the significant targets, the building up of operational bases and nets which inevitably require a great deal of time and are frequently faced with setbacks arising from counterespionage activities of the enemy or detection and exposure of our effort. It is recognized, of course, that the military

services have urgent tactical intelligence requirements which also require the use of clandestine collection activities. By the end of this period considerable strides will have been made toward isolating the most essential elements of information which must be collected by covert means giving proper attention to priorities. There has been some success in the collection of intelligence on the Soviet and satellites by clandestine technological and scientific means. The achievement of greater success in this field is to a great extent dependent on the establishment of arrangements for cooperative concentration of efforts.

7. With respect to the foregoing discussion of U.S. intelligence programs, it should be noted that our intelligence system is confronted by certain limitations which will inevitably result in a margin of uncertainty both in our estimate and in our ability to give early warning of attack. These limitations arise from the security consciousness and practices of the Soviet State; the high state of war preparations of the Soviet; their flexibility in making decisions and the speed with which, under their system, such decisions can be implemented. It should be emphasized that the best collective effort of which the United States intelligence community—or any other—is capable cannot guarantee adequate advance warning of a surprise attack.

Related Activities

8. Related activities which have been undertaken or are planned in support of the President's programs will require increasing financial and manpower resources. Related to other programs the financial requirements are not large. However, their size in relation to the intelligence aspect of the CIA budget is such that special methods of presenting it to Congress may have to be developed. A major difficulty with respect to manpower arises from the difficulty in recruiting and training officers for this work. Personnel needs will require increased reliance on Armed Service personnel.

[Here follows a concluding Summary Statement (No. 8) dealing with the Internal Security Program prepared jointly by the Interdepartmental Intelligence Conference and the Interdepartmental Committee on Internal Security.]

S/S–NSC files, lot 63 D 351, NSC 114 Series

Memorandum to the National Security Council by the Executive Secretary (Lay) [1]

SECRET WASHINGTON, June 30, 1952.

Subject: United States Objectives and Programs for National Security

References:

A. NSC 114 and NSC 68 Series [2]

B. Memo for NSC from Executive Secretary, subject, "United States Programs for National Security", dated October 18, 1951 [3]

C. NSC Action No. 575 [4]

The enclosed memorandum by the President which sets forth his desires regarding the functions of the National Security Council in relationship to the determination of the programs and budget for Fiscal Year 1954, is circulated herewith for the information of the National Security Council.

The reports on the status of the national security programs as of June 30, 1952, which are due on August 1, have been requested of the respective departments and agencies responsible for those programs. The reappraisal of the objectives and policies set forth in the NSC 68 and NSC 114 series is being prepared by the Senior NSC Staff, pursuant to NSC Action No. 575–c, for early consideration by the Council.

In the light of these two reports, the Senior NSC Staff will prepare a draft report for Council consideration by October 1, pursuant to the third paragraph of the enclosed memorandum. [5]

JAMES S. LAY, JR.

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[1] Copies to the Secretaries of the Treasury and of Commerce, the Attorney General, the Acting Director of Defense Mobilization, the Federal Civil Defense Administrator, the Director of the Bureau of the Budget, and the Chairman of the Council of Economic Advisers.

[2] For documentation on the NSC 68 Series, see *Foreign Relations*, 1950, vol. I, pp. 126 ff.; for documentation on the NSC 114 Series as it developed during 1951, see *ibid.*, 1951, vol. I, pp. 1 ff.

[3] For text, see *ibid.*, p. 237.

[4] See footnote 1, p. 5.

[5] See the editorial note, *infra*.

[Enclosure]

Memorandum by the President to the Secretary of Defense [6]

SECRET WASHINGTON, June 28, 1952.

It is my desire that final determination of the programs and budget for fiscal year 1954 be made by December 1. In order that the analysis of the Executive Office of the President, in coordination and consultation with the agencies concerned, can be accomplished by that date, it will be necessary for the Secretary of Defense to submit his program and estimates for fiscal year 1954 to the Director of the Budget no later than November 1. This in turn will require strict adherence to the date of September 2 which the Secretary of Defense has established as the date for the budget submissions to his office by the Military Services.

The Secretary of Defense has requested that the Military Services base their budgetary programs and estimates on present approved strength. Every effort should be made to meet commitments and missions within this total strength.

To assist in arriving at carefully considered budget decisions I am asking the National Security Council to complete by October 1 (1) a review of presently approved national security programs designed to achieve United States objectives based upon the report scheduled for completion August 1 on the status of these programs, and (2) the desirability of projecting these programs for fiscal year 1954 in relation to the NSC's reappraisal of the objectives and policies of NSC 68 and NSC 114.

The Director for Mutual Security has already established the arrangements through which, in consultation with the Director of the Budget and with the other agencies concerned, he can assemble within the time called for by OEEC and NATO schedules, sufficient information regarding the scope and timing of the U.S. defense and foreign aid effort to assist tentative planning, subject to final determination of U.S. programs for submission to the Congress.

The Director for Mutual Security should submit his programs and estimates for the fiscal year 1954 to the Director of the Budget no later than October 1.

Following the review of these budgets within the Executive Office of the President, in coordination and consultation with the agencies concerned and in light of the review by the NSC, I intend to meet just prior to December 1 with the NSC for consideration and determination of any remaining principal problems and issues involved in the projection of programs and budget for fiscal year 1954.

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[6] Also sent to the Director for Mutual Security, Director of the Bureau of the Budget, and the Executive Secretary of the National Security Council.

HARRY S. TRUMAN

Editorial Note

As noted in the memorandum by Bohlen of May 19, entitled "U.S. Objectives and Programs for National Security," (page 17) a Steering Committee of the Senior Staff of the National Security Council had been engaged since October 1951 in overseeing an ongoing reappraisal of national security objectives and programs by a drafting group of Staff Assistants in conformity with NSC Action No. 575–c. This general, ongoing reappraisal produced two separate studies designated NSC 135 and NSC 135/1, respectively.

NSC 135, a collection of eight reports by appropriate executive agencies on the status of the NSC 114 Series programs, submitted to the National Security Council between August 6 and 22, 1952, was entitled "Status of United States Programs for National Security as of June 30, 1952." The eight reports dealt with (1) "The Military Program" (prepared by the Department of Defense), (2) "The Mobilization Program" (prepared by the Office of Defense Mobilization), (3) "The Mutual Security Program" (prepared by the Office of the Director for Mutual Security), (4) "The Civil Defense Program" (prepared by the Federal Civil Defense Administration), (5) "The Stockpiling Program" (prepared by the Department of Defense), (6) "The National Psychological Program" (prepared by the Psychological Strategy Board), (7) "The Foreign Intelligence Program" (prepared by the Central Intelligence Agency), and (8) "The Internal Security Program" (prepared jointly by the Interdepartmental Intelligence Conference and the Interdepartmental Committee on Internal Security). A complete copy of this approximately 500-page NSC paper is in the S/S–NSC files, lot 63 D 351, NSC 135 Series. For summary statements of four of these reports, see pages 21 ff. In a memorandum of August 19 to the National Security Council, James S. Lay, Jr. transmitted two further Annexes to the Psychological Strategy Board report as well as a further paragraph to the Central Intelligence Agency report.

At the same time, the drafting group of Staff Assistants to the Steering Committee of the Senior Staff of the National Security Council submitted its series of draft conclusions pertaining to a "Reappraisal of United States Objectives and Strategy for National Security." These draft conclusions became NSC 135/1 of August 15, 1952, which was composed of two parts: a draft policy statement, printed on page 81, and a separate paper subtitled "Summary and

General Conclusions" which the Senior Staff first tentatively accepted on August 12, then incorporated as part of NSC 135/1 at its meeting on August 14. The "Summary and General Conclusions" is printed on page 73. On August 22, 1952, a two-part Annex to NSC 135/1 was submitted to the National Security Council by its Executive Secretary. The first part of this Annex was entitled "The Bases of Soviet Action," the second "Relative Political, Economic and Military Capabilities." The Annex is printed on page 89.

The four papers which eventually comprised NSC 135/1 and NSC 135/1 Annex had been the subject of lengthy discussion, repeated drafts, and frequent refinements throughout the first eight months of the year. Although the assignment to reappraise national security objectives and programs had been formally assigned to the drafting group of Staff Assistants, documentation in Department of State files suggests that the drafting work on all papers save that dealing with "Relative Political, Economic and Military Capabilities" (Part II of the Annex) was undertaken by the Department's Policy Planning Staff under the general supervision and direction of Counselor Charles E. Bohlen who himself assumed responsibility for drafting what became Part I of the NSC 135/1 Annex, "The Bases of Soviet Action." Authorship of and/or responsibility for the drafting of the capabilities paper cannot be precisely determined from Department of State files.

Documentation on the entire exercise culminating in NSC 135/1 and its Annex is extensive. A number of papers selected for their summary and/or critical pertinence are printed below. Copies of the varied and numerous draft statements and related memoranda and criticisms which preceded the submission of draft conclusions may be found in PPS files, lot 64 D 563, "Review of NSC 68 & 114", "NSC 68 & 114-135", as well as in S/P-NSC files, lot 61 D 167, "NSC 68-114" and "NSC 114".

G/PM files, lot 68 D 358, "NSC 135"

Memorandum by the Director of the Policy Planning Staff (Nitze) to the Deputy Under Secretary of State (Matthews) [1]

TOP SECRET WASHINGTON, July 14, 1952.

Reappraisal of United States Objectives and Strategy for National Security

The reappraisal of the NSC 68–114 Series is in draft form and is before the Senior Staff for revision. [2] However, the draft papers raise issues on which I believe discussion at your level at this stage would be helpful. In fact, unless there is clarity on the basic issues, detailed suggestions for drafting changes may result in a waste of time.

The basic points on which I take issue with the draft papers are the following:

1. I believe the papers tend to underestimate the risks which this country faces.
2. I believe they tend to underestimate U.S. capabilities.
3. I believe they hold forth inadequate goals for U.S. policy.
4. I believe they outline an inadequate strategy.
5. I believe they give inadequate, unclear, or mistaken guidance to those who must prepare specific national security programs.

The gist of the conclusions which flow from the positions taken in the draft papers on these points might be summarized as follows:

1. The risks are much less than we have previously assumed.
2. Our actual and potential capabilities are much less than we have previously assumed and we are going to be at a disadvantage vis-à-vis the Soviet system for a long time.
3. There is nothing much we can do about this or should do about it. Specifically, we should abandon:
    a. Any hope of effective air and civil defenses;
    b. any attempts at serious negotiation;
    c. any attempt now or later to roll back the Iron Curtain;
    d. any attempt to get preponderant power.

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[1] Drafted by Robert Tufts. A covering memorandum from Nitze to Matthews; Bohlen; John D. Hickerson, Assistant Secretary of State for United Nations Affairs; Gordon Arneson, Special Assistant to the Secretary of State for Atomic Energy Affairs; James C. H. Bonbright, Deputy Assistant Secretary of State for European Affairs; and Walworth Barbour, Director of the Office of Eastern European Affairs, noted that this memorandum "is for the 4:00 o'clock meeting scheduled this afternoon in Mr. Matthew's office." No record of this meeting has been found in Department of State files.

[2] See the editorial note, *supra*.

4. The conclusion is that we should accept a long period of relative disadvantage during which we unhopefully wait for the U.S.S.R. to change.

This is, I think, about what the papers add up to, though one of the difficulties is that they are internally inconsistent and that it is not entirely clear what they are trying to say. They do not indicate in what specific respects they are intended to revise NSC 68/2 or Part I of NSC 114/2. It is difficult to determine in what respects they provide guidance for budget decisions (the purpose for which the President desires the reappraisal to be made). It is unclear whether and in what respects the conclusions rest on an analysis of new factual information and of the experience with current programs or rest on a different interpretation of the Soviet system than that contained in the NSC 68-114 Series.

These are the points which I hope we can discuss. In the attached memorandum, each point is taken up separately and at some length with the object of providing background material for the discussion.

By way of contrast to the draft papers, the NSC 68-114 Series leads, I think, to the following conclusions in light of our experience. I have seen no evidence of a theoretical or factual character which would invalidate them.

1. The risk that the confrontation will lead to war remains great. The risk that we will suffer piecemeal defeat in the cold war also remains great.
2. The actual and potential capabilities of the U.S. and of allied and friendly states are very large. The problem appears to be more the effective organization, direction and leadership of these capabilities and the distribution of emphasis in developing new capabilities than it is one of an overall insufficiency of actual and potential capabilities. We can within the next several years gain preponderant power.
3. As our total power—political, economic, and military—increases we can reasonably hope that opportunities will arise for making progress by peaceful means toward our objectives. It will require clearly preponderant power to make satisfactory progress by these means—probably more power than to win military victory in the event of war.

PAUL H. NITZE

[Attachment]

Paper Drafted by the Policy Planning Staff[3]

TOP SECRET [WASHINGTON, undated.]

BASIC ISSUES RAISED BY DRAFT NSC "REAPPRAISAL OF U.S. OBJECTIVES AND STRATEGY FOR NATIONAL SECURITY"

A. Risks

1. The draft papers concentrate much attention on the danger of the outbreak of general war or local wars. The Bases of Soviet Action (Part I of the Staff Study) appears to conclude that there is little danger of Soviet military action, either general or local, whether by deliberate intent or otherwise. It does not deal with the danger of Chinese Communist military action. The General Conclusions (paras. 1–16 of the Statement of Policy) are unclear. They seem to suggest (in paras. 4, 5, and 15) that there is some danger of local military moves in the Far East and perhaps in other key peripheral areas at the instigation of the U.S.S.R. and that "the maintenance of the free world position will come increasingly to depend upon its manifestation of a greater willingness and a greater capability than has been demonstrated to commit appropriate forces for limited objectives" (para. 15). Read in the light of "The Bases", however, it is not clear where, unless it is in the Far East, there is any danger of local military moves.

2. "The Bases" indicates that it is unlikely that the Soviet Union "will take *or support*" overt military action in the cold war unless certain criteria are met. An examination of these criteria leads us to the conclusion that there is probably no area on the Soviet periphery which meets all these criteria. If the criteria are the same for Communist China as for the Soviet Union, there is probably no area in the Far East in which Chinese Communist action is a serious possibility.

3. Such local action, moreover, is more likely, according to "The Bases", than general war arising from miscalculation or from the deterioration of a deadlocked situation. There appears to be, therefore, little danger of an undeliberated general war. In light of this, it is difficult to interpret para. 3 of the General Conclusions.

4. The deliberate initiation of general war is unlikely. This follows from the definition of a "decisive blow", from the assurance that the Soviet Union does not now have the capability of striking a "decisive blow" and can be precluded from obtaining this capabil-

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[3] The source text does not indicate the identity of the drafting officer.

ity, and from the "highly dangerous" threat to the regime which any major war would pose.

5. We believe that it is very difficult to draw from the analysis of risks in the Staff Study and the General Conclusions any guidance for the development of military strength. We also believe that the analysis of risks suggests that our strategy should be patterned on the Taft–Dulles retaliatory thesis—a thesis which is, in our view, extremely dangerous. This thesis is expressed in the General Conclusions, para. 24a.

6. We believe that the present state of international tensions, the situations in particular areas, notably Korea, Indo-China, Formosa, Berlin, and Iran, and the fact that the West does not yet have the capability of successfully defending areas of vital interest to it but is trying with some success to develop such capabilities require us to assume that the risk of war remains great. We believe it would be imprudent to make a contrary assumption so long as we do not have the capability of successfully defending areas of vital interest—including the defense of the United States against "direct attack of serious and possibly catastrophic proportions." We believe that the conclusion that the risks are great would provide guidance as to the minimum acceptable goal of our efforts to develop military capabilities and provide a basis for the development of a sound strategy.

7. We believe that much of the difficulty in the analysis of the Soviet system stems from a false dichotomy between power and ideology or doctrine. Power, as Bertrand Russell has pointed out, is the capacity to achieve intended results. To say that Stalin has never placed world revolution above the security of his base in Russia is not to say that he does not have an aim over and beyond the security of his base. To say this it would be necessary to show that he is concerned only with the security of the regime, that this is his sole aim, and that the security of the regime is desired for itself and not as a means to anything more. We think it would be dangerous to make this assumption, which would be to assume that Soviet foreign policy encourages tensions abroad only as a contribution to the maintenance of the regime. This is surely part of the explanation of Soviet foreign policy, but is it the whole explanation? (See Morgan's memorandum, July 2, 1952, on Stalin, Ideology and Power.)[4]

8. We believe that another difficulty lies in the concentration on the question whether the Soviet rulers will deliberately initiate general war. We are inclined to agree that the Soviet rulers will

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[4] The paper under reference cannot be further identified. "Morgan" is presumably Marthlyn Morgan of the Policy Reports Staff.

not deliberately initiate general war in the sense that the first sign of trouble will be an attack on the U.S. or on U.S. forces by Soviet forces. We believe, however, that there is a serious danger that circumstances may arise in which the Soviet rulers will believe that the maintenance of their power position requires them to take or instigate actions involving near certainty of war. We think that in such circumstances they would attempt to conceal their responsibility and to pin responsibility on the West, but we would regard such actions as representing at least deliberate acceptance of serious risk of war.

9. A special point in connection with risks is that regarding the "atomic stand-off". NSC 68 held that the existence of two large atomic stockpiles might prove to be an incitement to war. The present draft paper foresees a mutual recognition that general war is no longer a tolerable contingency. In our own case it may well be that the public will bring pressure to bear on the Government to refrain from use of atomic weapons as the public becomes aware of the increasing Soviet ability to inflict damage on this country. The Soviet rulers, as they obtain a capability of inflicting "possibly catastrophic" damage, will not be under similar pressure. If there is an important advantage in surprise and if other circumstances tend to produce a showdown, Soviet possession of large atomic capabilities may, it seems to us, tend to incite rather than deter a surprise atomic attack by the Soviet Union. In short, we think that the existence of two large atomic stockpiles is not so likely to deter general war as to affect the timing and occasion of general war—probably to our disadvantage.

B. Capabilities

1. We find the analysis of absolute and relative capabilities confusing. Almost every conceivable viewpoint is somewhere expressed. These are statements to the effect that we should continue our efforts to organize and develop the free world's superior resources (General Conclusions, para. 18). There are other statements to the effect that the Soviet Union is and may continue to be able to allocate equal or greater resources to military purposes because it is not forced to support an elaborate consumer economy (General Conclusions, para. 9). Throughout the papers there are various references to the limitations imposed on our efforts to build strength by the necessity of maintaining a free society and by the willingness of free men to pay taxes, etc. On the whole we find a strong defeatist note throughout the report as regards the ability of the free world to develop strength.

2. This is reinforced by the statements to the effect that even if the free world could develop superior strength, this would not

enable it to make progress toward its objectives (General Conclusions, para. 22). If superior strength is not of any use and if the effort to get it threatens the free-ness of free societies, it seems to follow that we should not and need not make the effort, especially since, as shown in the analysis of risks, there is little danger of general or local war, unless the Soviet rulers are convinced as a matter of fact that the U.S. is about to attack the Soviet Union.

3. The view of capabilities seems, therefore, to be directly related to the views regarding objectives and strategy, and we shall return to it in the following two sections. At this point we will record only certain differences or doubts with respect to capabilities:

a. We do not believe that "it is demonstrable that the free world is not moving toward" a position of marked relative superiority to the Soviet system. We believe, on the contrary, that our relative position has already significantly improved, that it will probably continue to improve, and that it is possible for the free world to gain clearly preponderant power within a decade.

b. We do not believe that it is now possible to reach definitive conclusions about the possibilities for civil and air defense. We have seen studies which indicate that highly effective defenses can be developed at costs well within our capabilities. We have heard from other sources that new weapons developments may make effective defense impossible or prohibitively expensive in time. Even if this is so it does not necessarily indicate that investments at this time in civil and air defense against present means of attack would be unwise, for there is, in our view, a serious risk of war before new means of attack are developed which would render these defenses obsolete.

c. We do not believe that the ability of free societies to do what is necessary to gain their objectives is subject to such severe limitations as the papers indicate. On the contrary, we believe that the margins of tolerance in the United States are much higher than the papers suggest. We also believe that the political and economic capabilities of other free countries can be increased. It is obvious that the development of strength should not be pushed beyond the limits of political and economic capabilities. It may be desirable to redistribute the emphasis in our programs, so that we pay more attention to the development of political and economic capabilities. The draft papers, however, provide no guidance on this. We believe this is one of their major weaknesses.

d. There is, in our view, a hierachy of goals with respect to strength. This hierarchy is:

(1) political and economic strength.
(2) the mobilization base, including military production.
(3) military strength in being.

Political and economic strength is basic. The development of military strength-in-being should not (and indeed can not) be pushed beyond the limit of political and economic capabilities. It should also not be pushed at the expense of the development of an adequate mobilization base. A major problem for the United States and other free nations is to preserve a sound relationship among these three elements of strength. This is a key question in the development of our FY 1954 programs on which guidance is needed but is not provided by the draft papers.

C. Goals

1. The draft papers formally endorse the objectives stated in NSC 20/4 and NSC 68/2. It proceeds, however, to state that these objectives can not be attained. It states (para. 22):

> ". . . it does not appear that the developing situation will, in the foreseeable future, require the Soviets to yield interests now held which they regard as important to their security. *Nor does it appear likely that an increase to any higher level of strength which the free world could maintain over an extended period would significantly change the prospect. Neither does it appear that there is any prospect, regardless of the level of strength we may achieve, of negotiating lasting settlements with the present communist regime. Our strength may deter deliberate initiation of hostilities by the Soviets or the undertaking of local aggression, but it will not change the implacable nature of communism which dictates that it be hostile to all not under its control."*

This indicates that we cannot roll back Soviet power nor hope that the successful containment of Soviet power will produce any significant changes in the nature of the Soviet system. The endorsement of the NSC 20/4 and NSC 68/2 objectives is therefore a merely formal endorsement. Our maximum actual objective becomes merely to deter general war and the undertaking of local aggression for an indefinite period of time—probably permanently.

2. We believe that this goal is inadequate and also unrealistic. We do not believe that the situation can remain indefinitely static. One side will gain and the other will decline as a factor in world affairs. It must be our objective to be the one which gains.

3. Using the term "power" in the widest sense to denote all those material and intangible factors, both actual and potential, which make up the capacity to exert influence in world affairs, the United States and the Soviet Union are engaged in a struggle for preponderant power. Given the polarization of power around the U.S. and the U.S.S.R., to seek less than preponderant power would be to opt for defeat. Preponderant power must be the objective of U.S. policy.

4. As regards military strength, we also believe that the West must seek preponderance in a certain sense. It is agreed by almost everyone that war might come at any time and that we should be prepared for war. Wars end in victory, defeat, or a stalemate on some line. The West must have sufficient military strength at the beginning of a war to enable it to hold and to develop preponderant

military strength in the course of the war. Otherwise it will suffer defeat or a stalemate which would move the Iron Curtain westward. We must rely primarily on the Defense establishment to determine what proportion of our potential military strength it is necessary to have in the forms of strength-in-being and readily mobilizable. It must be our objective to assure that a sufficient proportion of our potential military strength, whatever this may be, is available in these forms. In this sense preponderant military strength is a necessary objective.

5. We do not see what evidence there is for believing that the side having preponderant power (in the widest sense, which includes preponderant military strength) will not eventually achieve its objectives. We believe that there is a hierarchy of objectives, namely:

a. strength at the center
b. strength at the periphery
c. the retraction of Soviet power and a change in the Soviet system.

Clearly, we should not undertake actions to accomplish (c) at serious risk to the attainment of (a) and (b). This presents strategic problems which are discussed in the following section. But the fact that there is a hierarchy of objectives does not lead to the conclusion that it is undesirable to set the third objective or impossible to achieve it. As to the latter point, we believe that as the free world's capabilities are developed, opportunities will arise for inducing or compelling a retraction of Soviet power, not, of course, without any risk but at acceptable risk.

6. At any rate we believe that it would impart a defeatist coloration to all our efforts and eventually weaken our efforts if the Government adopted the view that for the indefinite future the best we can hope for is to hold on to a disadvantageous position.

D. Strategy and Guidance in Program Development

1. It is stated (para. 19) that "Parts I and II of the staff study do not lead to a fundamental alteration of the basic strategy as set forth in NSC 68 and the NSC 20 Series, but they do underline—by revealing the fuller emergence of developments which in 1950 were discernible only in outline—the increased risks we run in pursuing this strategy and the need to adjust in important particulars our expectations for its success." In short, the strategy is not going to produce progress toward the objectives defined in NSC 20/4 and NSC 68/2. The new strategy is outlined in para. 23 and developed more fully in subsequent paragraphs. These paragraphs are, for the most part, couched in generalities which would be, with a few ex-

ceptions, acceptable as generalities were it not for the context in which they appear. The major exceptions are:

a. Para. 24a seems to formulate the Taft-Dulles strategy.

b. Para. 27 does not provide for an adequate civil defense program and indeed states the American people should "avoid devoting their substance to an unrealistic concentration upon purely defensive measures." However, in light of the probability that both the Soviet Union and the United States will develop atomic stockpiles of sufficient size to permit attacks of serious and possibly catastrophic proportions, it may well be that the side with the best air and civil defense systems will be the side with the largest net capability and that greater increases in net capability can be obtained at some point by additional investments in air and civil defenses than by additional investments in offensive power.

c. Para. 33 goes too far, in our view, when it describes the prospects for genuine negotiation in the next several years as being negligible.

d. Para. 34 states that our present mobilization policy is designed to maximize the chance that general war will be postponed. We do not understand the reasoning on which this statement is based.

2. In addition to the foregoing criticisms of the generalized description of our strategy, we believe that this section of the draft paper fails to give adequate guidance to those who must develop specific national security programs. There are a host of questions which must be faced in developing the FY 1954 programs. One of the major purposes of the present paper is to define our strategy in terms which will provide guidance to those who must answer these questions.

3. As to the broader problems of strategy, we also feel that the draft paper is deficient. We would make the following comments on this question:

a. There are only three conceivable ways in which our objectives with respect to the Soviet system might be achieved. One is to defeat the Soviet Union in general war and to impose our will. Everyone agrees that we should not adopt this strategy. A second is to roll back the Iron Curtain in local actions and to wait for this change in the world environment to result, first, in a change of Soviet behavior and ultimately in a change, either by revolutionary or evolutionary means, in the nature of the Soviet regime. We might help this process along by political means. The current revision writes this off as a practical strategy, but it is not convincing on this point. The third is identical with the second except that we would not undertake to use force or even the threat of force except to maintain the present line of division. This is now usually referred to as "containment". The present revision suggests that successful containment would not lead to a change in the Soviet regime. It seems excessively pessimistic on this point. Public controversy now centers around the question whether we should pursue the policy of "roll-back" or the policy of "containment".

Probably successful containment would in fact merge into a policy of roll-back by creating opportunities of one kind and another for moving back the Iron Curtain. It should be noted that the objectives are the same and that the controversy concerns, therefore, means, not ends.

b. It seems clear that our first job is to develop sufficient over-all strength to contain effectively the Soviet system. We are now far from being sure that we have completed this task. It may be, however, that we have already reached this position as regards Soviet aggression and that the Soviet rulers dare not risk further expansion. It may even be that we could now undertake without excessive risk to roll back the Iron Curtain in one or more areas: Korea, Indochina, China, and Albania. This seems doubtful, however. At any rate we do not feel confident that we have sufficient strength to make the risks of such actions acceptably low, even if circumstances arose in which responsibility for initiating the actions had to be borne by the Communists.

c. On the contrary, one of the dangers in the current situation is that the Soviet rulers might decide—believing war and atomic bombardment to be an unavoidable phase of the struggle for power—to "eat" whatever damage we can inflict, to push us back to the Western Hemisphere, and to establish, so to speak, a new line of "reciprocal containment". In this way they would gain a potential vastly superior to our own in all material factors and set the stage for the final phases of the struggle for preponderant power. We believe there are conceivable circumstances under which, from the Kremlin's point of view, this might appear to be a rational course of action.

d. The great diplomatic tasks are to preserve the opportunity for the West to develop preponderant power in the area and with the resources now available to it and to assure as rapid a development of military strength as Western political-economic capabilities permit. It seems clear that to the extent that the West indicates dissatisfaction with the present line of East-West division and a determination to roll it back by direct action, we tend to strengthen the conviction of the Soviet rulers that war is inevitable and thus that since probably neither side now has the power to prevail, the question is on what line reciprocal containment is to be established. While we should not overestimate the possibility of influencing the Soviet rulers by diplomatic action, neither should we underestimate the importance of gaining the time necessary to make Western Europe and Japan and certain other key areas defensible. Nor should we underestimate the fear of general war which is probably felt by the Soviet rulers. It is conceivable that both sides might at some early time think it in their advantage to stabilize (formally or informally) the situation for the time being, though both sides would continue to strive in other ways for preponderant power. This might make it difficult for free peoples to continue to build up their strength. Nevertheless it does seem that it would be advantageous to us to have a period of stability. At any rate it seems dangerous to adopt the political posture that we must roll back the Iron Curtain before we are in a position to hold on about the present line. We should be willing, if necessary, to pay some price in order to limit the struggle for predominant power in circumstances in which, in the event of war, the Soviet Union could draw, after the initial phase, on the resources of Eurasia while we were confined to the Western Hemisphere and a few outlying islands. We believe that the draft paper should deal with this problem which is now receiving much attention in both private and official circles. There is a real danger that we will be pushed into an overt commitment to use our strength at some time to liberate the satellites.

PPS files, lot 64 D 563, "NSC 68 & 114"

Statement of Policy Drafted by the Director of the Policy Planning Staff (Nitze)[1]

TOP SECRET WASHINGTON, July 30, 1952.

REAPPRAISAL OF UNITED STATES OBJECTIVES AND STRATEGY FOR NATIONAL SECURITY

General

1. Reappraisal of United States objectives and strategy for national security reaffirms the basic purposes and policies of the NSC 20, 68 and 114 Series. The fundamental purpose of the United States remains as stated in NSC 68: to assure the integrity and vitality of our free society founded upon the dignity and worth of the individual. Pursuit of this fundamental purpose should continue to be through that general policy which seeks:

a. To develop throughout the free world positive appeals superior to those of communism;
b. Even at grave risk of general war, to block further expansion of Soviet power;
c. By all means short of general war to induce a retraction of the Kremlin's control and influence, and so to foster the seeds of destruction within the Soviet system that the Kremlin is brought at least to the point of modifying its behavior to conform to generally accepted international standards.

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[1] The source text is accompanied by a covering memorandum from Nitze to Acheson, July 30, copies to Matthews, Bruce, and Bohlen, which reads: "Pursuant to the suggestions made in the meeting yesterday morning, I have revised the Statement of Policy in the following manner. Mr. Bohlen has read this and thinks it is all right." No record of the meeting under reference has been found in Department of State files. A handwritten notation on the covering memorandum reads: "This seems good to me. D[ean] A[cheson]." A notation on the text printed here reads: "Revision of Lay's Office Memo of July 28, 1952." The document under reference cannot be identified further. However, a memorandum from Lay to the NSC Senior Staff of July 29, enclosing a draft statement of policy by the NSC Staff Assistants of the Steering Committee Members entitled "Reappraisal of United States Objectives and Strategy for National Security" is in S/P-NSC files, lot 61 D 167, NSC 68-114-135 Series.

2. We continue to believe that the free world with its superior resources should be able to build and maintain for whatever length of time proves to be necessary such strength that the Soviet orbit will be unable to make substantial advances either physically or politically, and that if the free world acquires such strength, the internal contradictions of the Soviet totalitarian system will, with some positive assistance from us, cause that system gradually to weaken and decay. Therefore, provided the United States and its allies succeed in developing and maintaining an adequate level of over-all strength to prevent or win general war and to block further expansion of Soviet power, no specific time can be established by which the objectives set forth in paragraph 1c above must be achieved.

3. Although no fundamental departures from the conclusions of the NSC 20 and 68 Series are required, it is essential that we take into account certain factors that have acquired new significance since the adoption of these reports:

a. The United States and its major allies have responded to the perilous situation of 1950; they have responded collectively to the attack upon South Korea; they are improving the security position of Western Europe; they, and particularly the United States, have significantly improved their readiness for war. These efforts, though not yet complete, have already reenforced the deterrents to general war and reaffirmed the reasoning of NSC 68 by which both preventive war and isolation were rejected as courses of action.

b. There has also been a substantial further development of Soviet orbit strength since 1950. Modernization and expansion programs in the Soviet, satellite, and Chinese Communist armed forces are proceeding, supported by a rapidly growing economic and industrial capacity and by a high level of scientific and technical capability in selected fields of vital military importance. As a result of the developing atomic and possible thermonuclear capability of the USSR, the vulnerability of the United States to direct attack which is now serious, will in a few years assume critical proportions.

4. It must remain the objective of the free world to maintain such over-all strength as will (a) confront the Kremlin with the prospect that a Soviet attack would result in serious risk to the Soviet regime, (b) reduce the opportunities for local Soviet aggression and political warfare, and (c) permit the exploitation of rifts between the USSR and other communist states and between the satellite regimes and the peoples they are oppressing, thus possibly offering to certain satellite peoples the prospect of liberation without war. The United States should accordingly pursue with determination and constancy the courses of action set forth in the following paragraphs.

Deterrent to General War

5. The United States should develop and maintain, in cooperation with its allies, a position of strength, flexibility and depth adequate to deter the Soviets from deliberately initiating general war and to discourage them from pursuing courses of action involving grave risk of general war.

6. To achieve such a deterrent, the United States should take the necessary measures to:

a. Develop the political unity of and encourage growth of strength and determination in the free world so as to deny the opportunity for the Soviets to undertake local aggression which might develop into general war.

b. Develop and retain, under all foreseeable conditions, the capability to deliver an offensive of sufficient power to inflict massive damage on the Soviet war-making capacity.

c. Assure ready defensive strength adequate to provide a reasonable initial defense and to ensure reasonable protection to the nation during the period of mobilization for ultimate victory.

d. Maintain the mobilization base (both military and industrial*) in the United States at a level which in the event of need will enable us to expand rapidly to full mobilization; and, consistent with the maintenance of a vital and democratic society, provide the means for protecting the mobilization base against covert attack and sabotage.

7. The United States should develop a substantially improved air and civil defense in the light of the capacity of the USSR to deliver an atomic and possible thermonuclear attack against the United States, in order to protect the American people and maintain their morale and thereby assure freedom of action to the U.S. Government, and to increase the capability of the country's economic capacity to recover from such an attack. At the same time the American people must be brought to a recognition of the need to accept and live with a substantial degree of vulnerability without an undue concentration upon personal safety which would prevent the projection of our strength outward to the enemy.

Areas Outside the Soviet Orbit

8. A preliminary study of problems in the areas outside the Soviet orbit brings out two major causes of concern which indicate the need for a restudy and possible change of emphasis and redirec-

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* The concept of industrial mobilization base includes not only readiness of adequate facilities, manpower, and materials (in active, stand-by, or readily convertible status) for military end-item production at wartime levels, but also existence of industrial facilities and the over-all economic capacity needed to facilitate and support planned wartime levels of military end-item output. (ODM proposal) [Footnote in the source text.]

tion of certain of our efforts with respect to those areas. These causes of concern are:

a. The efforts which our major European allies, particularly the United Kingdom and France, are called upon to make (a) to fulfill their planned obligations to NATO and (b) to support their existing positions outside of Europe are, in the light of current U.S. assistance programs, beyond their present political and economic capacity to maintain;

b. The readily disposable outside strength of the United States and its allies, together with present indigenous political and military strength in areas on the periphery of the Soviet orbit, is insufficient to escape from the dilemma of having to choose, in the face of local aggression, between the eventual further expansion of Soviet power and general war.

9. In light of the above, the United States should:

a. Reexamine the amounts and allocations of resources to various areas in terms of kind, quantity and priority, to determine (1) whether a general increase in the level of programs is required to deal with the several threats; (2) whether the present balance between military assistance and the various types of economic assistance is appropriate; and (3) whether the allocations as between areas are in proper relationship to the importance to the general program of our European allies and to the threats facing the United States in the Far East and the Middle East.

b. Make the necessary preparation to be increasingly able to commit military forces, as appropriate and in cooperation with its allies, in support of its objectives in specific geographic areas. At the same time the United States should encourage and as appropriate assist in the development of indigenous forces and regional defense arrangements capable of bearing an increasing share of responsibility for resisting local communist aggression. When forces are committed to combat a local aggression, the action should whenever possible be of sufficient strength and scope to effect a decision favorable to the United States.

Areas Within the Soviet Orbit

10. Where operations can be conducted on terms which may result in a relative decrease in Soviet power without involving unacceptable risks, the United States should pursue and as practicable intensify positive political, economic, propaganda, and paramilitary operations against the Soviet orbit, particularly those operations designed to weaken Kremlin control over the satellites. However, we should not over-estimate the effectiveness of the activities we can pursue within the Soviet orbit, and should proceed with caution and a careful weighing of the risks in pressing upon what the Kremlin probably regards as its vital interests.

Political Warfare

11. Both within and without the Soviet orbit the United States should conduct political warfare operations as an integral part of its over-all strategy. However, we should recognize that, barring extraordinary opportunities for exploitation such as the death of Stalin might provide, such operations cannot be depended upon to reduce drastically the basic threat which the Soviet system poses for the free world.

Public Support

12. The United States should undertake systematically and consistently a program of clarifying to the American public and to other peoples of the free world the complex problems of the free world in meeting the Soviet threat, the nature of that threat, the strength and resources the free world possesses to meet that threat, and, to the extent possible, the reasoning behind the general lines of policy and action described herein, in order to secure that public understanding and support which is essential to the success of our policies and actions.

Negotiations

13. The United States, in cooperation with its allies, should develop a sound negotiating position vis-à-vis the USSR and should be prepared to enter into any negotiations with the Soviet Union which offer promise of achieving *modi-vivendi*, or which, for other reasons, appear to be desirable. On the other hand, we should recognize that only enforceable agreements are meaningful and that the major contributions of negotiation in the foreseeable future may be to convince the world of the validity and sincerity of our position and to serve as a political warfare weapon.

Mobilization Policy

14. The United States should continue to pursue a policy of limited mobilization designed to develop and maintain a favorable power position without resort to an armament effort that would disrupt the economies of the free nations and thus undermine the vitality and integrity of free society. Such a power position should be sufficient to (1) maximize the chance that general war will be indefinitely postponed, (2) provide an effective counter to local aggression in key peripheral areas, and (3) provide the basis for winning a general war should it occur.

15. It continues to be impracticable to fix a tentative D-day by which our preparations for war should be at their peak, although there are estimated time periods within which measures must be taken to reduce or eliminate vulnerabilities of a critical nature.

16. The adequacy of currently projected mobilization goals is a question separate from that of the soundness of the concept of limited mobilization. Appraisal of the present goals must be accomplished on a continuing basis as the various programs are fulfilled and in light of changes in the world situation. The rapid growth of the Soviet atomic capability, the prospect for our continued heavy commitment in Korea, the serious threat to Southeast Asia, the danger of further deterioration of the situations in Iran and Egypt, the grave implications of further Soviet efforts to force the Western powers out of Berlin—all of these portents underline the risks we run in adhering to the policy of "stretch-out" and to presently programmed force levels.

17. Recognizing the risks involved in adhering to the policy of "stetch-out" and to presently programmed force levels, in the light of the situation facing us, the United States should:

a. Accelerate the production of selected military end-items under present programs.

b. Place continued high emphasis upon scientific and technical programs in fields of military applications and give careful consideration to the desirability of substantial new programs and changes of emphasis in research and development.

c. In proper balance with the programs developed in connection with the reexamination called for in paragraph 9 above, consider raising the goals of military production now contemplated. An acceleration and upward adjustment of our national defense programs as a whole are well within our capacity and can be accomplished without serious adverse effects on the U.S. economy.

PPS files, lot 64 D 563, "NSC 68 & 114"

Draft Statement Submitted to the Senior Staff of the National Security Council by the Staff Assistants of the Senior Staff Steering Committee [1]

TOP SECRET [WASHINGTON,] August 12, 1952.

REAPPRAISAL OF UNITED STATES OBJECTIVES AND STRATEGY FOR NATIONAL SECURITY

SUMMARY AND GENERAL CONCLUSIONS

1. If the Soviet rulers should attain, in their judgment, the capability of defeating the United States or of so reducing its power po-

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[1] This draft statement was transmitted to the National Security Council for information and circulated as an appendix to NSC 135/1. For further information on the origins and drafting of this statement, see the editorial note, p. 56. The covering memorandum from Lay to the NSC Senior Staff dated Aug. 13 reads: "The enclosed

Continued

tential as to render it permanently incapable of effectively challenging Soviet power and if they should come to believe that such action would not involve serious risk to the maintenance of their regime, they would probably deliberately initiate general war.

2. The Soviets might attack the West if they were convinced as a matter of fact, rather than theory, that an attack by the West was actually imminent.

3. Nor can it be excluded that if in the eyes of the Soviet leaders developments in the power balance appeared directly and imminently to threaten the security of the Soviet Union or areas under its control, they might feel compelled to force certain outstanding issues in such a way that the result might well be the outbreak of war without any deliberate intention on the part of the Soviet Union to bring about such an event.

4. War could come from communist action based on initial Soviet miscalculation of the free world's interest in and reaction to the situation in some particular area.

5. War could come from a deadlocked situation in which basic interests of both parties are involved with an act of one side setting off an unwinding chain of action and reaction which neither side would be able fully to control.

6. In the absence of general war, the Soviet leadership will probably continue a pushing and probing exploitation of all weaknesses in the free world. This means that the Soviets can be expected to continue their efforts to consolidate and expand their influence in Asia; undermine U.S. leadership of the free world; break the unity of the West; prevent the integration of West Germany and Japan into the Western system; disrupt the economies and governmental effectiveness of our major continental European allies; and exploit the intemperate nationalism and political instability of the Middle East. Thus, there continues to be danger of such a progressive and cumulative loss of positions of importance to the U.S. (either as a result of deterioration within the free nations or of communist cold war actions or a process involving both) that the United States would eventually be reduced to an isolated and critically vulnerable position.

7. The strongest deterrent to general war will be the achievement and maintenance of such an over-all position of strength by

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draft conclusions on the subject, as tentatively agreed on by the Senior Staff on August 12, are transmitted herewith for final review by the Senior Staff at its meeting on Thursday, August 14, 1952 with a view to completion of a report for submission to the National Security Council." A three-line summary of Senior Staff action at the meeting of Aug. 12 is in the S/P–NSC files, lot 62 D 1, "Senior Staff, 1950–52."

the free world as will force the Soviets to recognize the undesirability of challenging it.

8. The Soviet orbit now has formidable military capabilities. It has succeeded in maintaining large and increasingly well-equipped Soviet armed forces, in expanding and improving the satellite armed and para-military forces, and in developing significant atomic, electronic and possibly BW and CW capabilities. The Soviet long-range air force is capable of atomic attack on the United States and might achieve surprise in the initial strike. The Soviets would be able to support extensive military operations of an offensive nature during the early phases of a general war.

9. The Soviet orbit is expanding its current production; it is also expanding its industrial, economic, and scientific potential. There are indications that these latter developments are long range in nature. The USSR has demonstrated a high level of scientific and technical capability in several vital military fields, notably nuclear energy, aircraft design and production, electronics and chemical warfare.

10. The United States and its major allies have responded to the perilous situation of 1950; they have responded collectively to the attack upon South Korea; they are improving the security position in Western Europe and in the Pacific; they, and particularly the United States have significantly improved their readiness for war.

11. The United States is increasing its atomic strength and may soon develop a thermonuclear weapon. There is, in fact, every indication that its present quantitative advantage in atomic weapons stockpile, in means of delivery and in the production of fissionable materials will be further increased. The U.S. is also developing an increasing variety of mass destruction weapons and methods for their delivery; well dispersed overseas bases are being established within range of the sources of Soviet political and industrial power.

12. The United States and other countries in the free world are engaged in a mobilization program which is designed both to facilitate any future shift to a war economy and to maintain an increased level of strength over an extended period. Moreover, the United States has the economic capacity to sustain a generally higher level of armament production than is contemplated by currently projected programs and is capable of accelerating the production of selected items within the framework of present programs. Such an increase in the level of armament production would, however, require a willingness in the United States and allied countries to accept an increased diversion of scarce materials and other resources to such production through more severe direct physical controls. In addition more vigorous price and credit con-

trols and a heavier tax burden would be required in order to protect the economies of these nations.

13. In the light of the above, the United States and its allies hold it within their power to maintain a position of such strength, flexibility and depth as to make it very difficult for the Soviet leaders to believe that general war could be undertaken without grave risks to their regime.

14. The free world enjoys a very substantial superiority in basic productive potential over the Soviet orbit, but this superiority is not the sole measure of the relative ability to undertake large armament programs over an extended period in the absence of general war. The Soviet orbit, through its total control over the Soviet economy and population, can utilize a high proportion of the Soviet orbit resources and potential to achieve and maintain the present level of military preparedness. For the free world an adequate utilization of its resources and potential to counter the Soviet threat is far more difficult to achieve in the absence of general war.

15. Moreover, the increasingly destructive power that will be available to both sides makes it doubtful that time would be available to ensure the conversion of the economies to full war production. In planning the utilization of its resources in the absence of general war, therefore, the free world cannot give the same weight as heretofore to its heavy preponderance of productive capacity and economic potential as a determining factor in preventing or winning a general war.

16. Because of improved methods of delivery, in combination with increased atomic and possibly thermonuclear weapon stockpiles, the Soviet orbit will acquire during the next several years an increasing capability to damage critically the United States and its allies. Defensive counter-measures now in prospect probably cannot prevent the Soviet orbit from achieving such increasing capability, although such measures can certainly affect the rate of increase. The same reasoning would apply in general to the defensive position of the Soviet orbit. While continuing to take reasonable active and passive defensive measures, and to seek and explore new technological possibilities for feasible defense, the free world must probably accept a substantial degree of vulnerability and avoid undue concentration of resources on defense at the expense of measures necessary to project its strength outward to the enemy.

17. In Europe, Greece and Turkey, with their significant forces, are being successfully integrated in NATO; Greek-Turkish-Yugoslav military cooperation is beginning to develop; the juridical basis for Western German rearmament is being established; and Spain's participation in Western defense plans is a developing prospect. However, our major European allies, particularly the UK and

France, are encountering serious difficulties in seeking both to make a fully adequate contribution to the forces of NATO and to support their existing responsibilities outside Europe. The volume and timing in the delivery of U.S. assistance is a major factor in determining the size and timing of the effective force goals which can actually be achieved. On balance, the NATO commitments, and such additional declarations as those of the U.S. and its allies concerning Berlin, together with European efforts and U.S. assistance, have made it clear that military action by the USSR or its satellites would almost certainly lead to general war (except possibly in the case of Finland). It is therefore unlikely that the Soviet orbit will take military action there unless it is prepared to engage in general war.

18. Apart from the above problem of military capabilities, the Western European powers continue to be confronted with serious political, economic and social problems despite the great advances, with U.S. assistance, towards greater stability and cohesion. These problems have derived from economic conditions, political instability, neutralist tendencies, social tensions, and, in France and Italy, the continued existence of large and powerful Communist parties. Although genuine progress has been made, further efforts and U.S. assistance to the Western European countries will be required to overcome these adverse elements and to continue the progress towards political and social stability, economic integration, and collective defense in Western Europe.

19. Present and threatened communist aggression and subversion in the Far East and Middle East currently pose more immediate dangers to the free world position.

a. In the Middle East, efforts to maintain or enhance political stability have not succeeded. Recent developments in Iran, and to a lesser extent Egypt, have emphasized the danger that trends in this area may lead to the denial of the resources of this area to the free world's security efforts and eventually to the loss of important countries to Communist control. Western military forces in the area are now limited, and the U.S. may soon have to give serious consideration to the problem of assuming additional responsibilities in the area.

b. In South Asia and the Far East, the inexperience of the present leadership and lack of a firm popular base hampers the ability of various countries to strengthen themselves internally and to cope with communist and extremist pressures. The continued rise of nationalism in these areas has created divisive conflicts. This nationalism represents a reaction against former or remaining colonial controls and creates weaknesses in the free world as a whole.

c. In Indochina, where the situation is most acute, an increase of strength has enabled the French Union forces to stand off the communists but has not brought them within sight of success.

Thus in the Middle and Far East, the USSR, by instigating direct or indirect aggression, can force the Western powers to choose among (a) suffering the loss of these areas by default, (b) fighting defensive local action for limited objectives, or (c) treating local aggression as a cause for general war. In the Middle and Far East we have not yet succeeded in developing aid programs with the degree of flexibility and relationship with political factors required to make them highly effective in producing stability. We must concentrate particularly on so designing our aid programs that they will contribute to the solution of critical problems in unstable areas which the use of allied military forces cannot solve.

20. Despite the vital interest of the free world, adequate measures to deal with a sudden worsening of situations in the Far and Middle East are not now in readiness under present programs, priorities and force levels. In the circumstances, the questions arise (a) whether these serious threats can be met by a redistribution of the free world's effort presently programmed, or (b) whether consideration must be given to increasing the total effort, or (c) both.

21. Over the next several years, with the accumulation on both sides of atomic and other mass destruction weapons, the developing situation may present a continuing and possibly improved opportunity for Soviet expansion by the techniques of political warfare and local aggression if the fear and threat of general war paralyzes the free world's reaction to such local aggression.

22. In the light of the present threats and foreseeable developments, as outlined above, it appears that the ability of the free world to maintain its position and progress toward its objectives will come increasingly to depend upon: (a) its capacity to stand firm against Soviet political warfare despite the threat of increasing Soviet atomic capabilities, (b) a greater capability and greater willingness than have been demonstrated to commit appropriate forces and material for limited objectives, and (c) its ability to develop greater stability in peripheral and other unstable areas.

23. Outside the Soviet orbit there exists a need for increased and more selective political warfare operations by the United States and its allies to combat:

a. The threat of local communist parties, which remains serious although the United States and its allies have demonstrated the ability to penetrate and weaken communist organizations and to reduce the communist potential for revolution and sabotage.

b. USSR propaganda directed with particular force against the United States.

c. In many parts of the world, distrust of the United States which weakens affirmative support for the purposes of the United States.

24. Against the Soviet orbit itself, by skillful execution, the United States and its allies can sap the morale of satellite leaders and encourage rifts between the USSR and the satellite countries, and over a period of years may gradually force the Kremlin to an increasing preoccupation with internal security. By appropriate economic measures, the U.S. and its allies can help to deprive the Soviet orbit of needed resources and retard the development of Soviet orbit military potential. It should be recognized, however, that these measures alone, however vigorously pursued, against the Soviet orbit, cannot be counted on drastically to reduce the threat which the Soviet system poses to the free world.

25. During the next few years, it is unlikely that meaningful agreements can be negotiated with the USSR, for the Kremlin will probably not feel that the power relationship obliges it to make significant concessions to the free world. This situation could change in the course of time, particularly if Germany and Japan were to be restored to strength and firmly aligned with the free world; but during the next several years the prospect for negotiation of lasting agreements is negligible, although specific agreements on a *quid-pro-quo* basis, such as an armistice in Korea, are not precluded. Nevertheless, development of a sound U.S. negotiating position in any question or dispute involving the USSR would help to convince the world of the validity and sincerity of our position and would serve as a political warfare weapon.

26. While recognizing the admitted strength of the Soviet world and the as yet undeveloped strength and obvious weaknesses of the free world, it appears clear that the free world has made progress toward building a power position which would be capable of (a) persuading the Soviets against a general war; (b) reducing the opportunities for local Soviet aggression and political warfare; and (c) exploiting rifts between the USSR and other communist states and between the several communist regimes and the peoples they are oppressing, and thus possibly offering to certain satellite peoples the prospect of liberation without war.

27. We therefore continue to believe that the free world with its superior resources should be able to build and maintain for whatever length of time proves to be necessary, such strength that the Soviet orbit will be unable to make significant advances in expanding its power, either geographically, or politically, and that if the free world develops such strength, the internal conflicts of the Soviet totalitarian system should, with positive effort from us, force

a retraction of Soviet power and influence and eventually cause that system gradually to weaken and decay, although no time limit can be established by which these latter objectives must be achieved.

28. The building and maintenance of free world strength will, however, require a re-examination of the adequacy of current U.S. national security programs from the standpoint of size, relative priority, and allocation. [2]

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[2] At its meeting on Thursday afternoon, Aug. 14, the NSC Senior Staff reviewed and amended this draft statement and approved submission of the amended conclusions to the National Security Council for its information. At the same time, the Senior Staff directed the Staff Assistants "as a matter of urgency" to revise the source text in light of NSC 135/1 (*infra*), with the view to submission to the Council as an Annex to NSC 135/1. A copy of the Record of the Senior Staff meeting under reference is in the S/P–NSC files, lot 61 D 167, "NSC 68–114–135". The revised staff study circulated as the Annex to NSC 135/1 and dated Aug. 22 is printed on p. 89.

S/S–NSC files, lot 63 D 351, NSC 135 Series

Report to the National Security Council by the Executive Secretary (Lay) [1]

TOP SECRET
NSC 135/1

WASHINGTON, August 15, 1952.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON REAPPRAISAL OF UNITED STATES OBJECTIVES AND STRATEGY FOR NATIONAL SECURITY

References:

A. NSC Action Nos. 575 and 543 [2]

B. Memo for NSC from Executive Secretary, subject, "United States Objectives and Programs for National Security", dated June 30, 1952 [3]

C. NSC 20, 68 and 114 Series [4]

The enclosed draft statement of policy on the subject, prepared by the NSC Staff pursuant to NSC Action No. 575–c, is submitted herewith for consideration by the National Security Council.

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[1] Copies to the Secretaries of the Treasury and of Commerce, the Attorney General, the Acting Director of Defense Mobilization, the Chairman of the Council of Economic Advisers, the Director of the Bureau of the Budget, and the Federal Civil Defense Administrator.

[2] Regarding NSC Action No. 575, see footnote 1, p. 5. Regarding NSC Action No. 543 (Aug. 30, 1951), see footnote 2, p. 206.

[3] *Ante*, p. 54.

[4] For documentation on the NSC 20 Series, see *Foreign Relations*, 1948, vol. I, Part 2, pp. 507 ff.

Also enclosed for the information of the Council as the basis for the draft statement of policy is an appendix containing a "Summary and General Conclusions" [5] resulting from the NSC Staff's reappraisal of U.S. objectives and strategy for national security.

A staff study to accompany the enclosure will be transmitted shortly as an annex to NSC 135/1 for the information of the Council in this connection.

It is recommended that, if the Council adopts the enclosure, it be submitted to the President for consideration with the recommendation that he approve it as a reappraisal of United States objectives and strategy for national security, and direct its use as a guide by all appropriate executive departments and agencies of the U.S. Government, and by the National Security Council in completing by October 1 its report pursuant to the third paragraph in the President's memorandum of June 28 (reference B). [6]

It is requested that special security precautions be observed in the handling of this report.

JAMES S. LAY, JR.

[Enclosure]

Draft Statement of Policy Proposed by the National Security Council

TOP SECRET [WASHINGTON, undated.]

REAPPRAISAL OF UNITED STATES OBJECTIVES AND STRATEGY FOR NATIONAL SECURITY

General

1. Reappraisal of United States objectives and strategy for national security reaffirms the basic purposes and policies of the NSC 20, 68 and 114 Series. The fundamental purpose of the United States remains as stated in NSC 68: to assure the integrity and vitality of our free society founded upon the dignity and worth of the individual. Pursuit of this fundamental purpose should continue to be through that general policy which seeks:

a. To develop throughout the world positive appeals superior to those of communism.

b. Even at grave risk of general war, to block further expansion of Soviet power.

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[5] Same as "Summary and General Conclusions," Aug. 12, *supra*. See also the editorial note, p. 56.

[6] The President's memorandum of June 28 is printed as the enclosure to the memorandum by Lay to the National Security Council, June 30, p. 55.

c. By all means short of general war to induce a retraction of the Kremlin's control and influence, and so to foster the seeds of destruction within the Soviet system that the Kremlin is brought at least to the point of modifying its behavior to conform to generally accepted international standards.

2. We continue to believe that the free world with its superior resources should be able to build and maintain, for whatever length of time proves to be necessary, such strength that the Soviet orbit will be unable to make significant advances in expanding its power, either geographically or politically. Moreover if the free world develops such strength, the internal conflicts of the Soviet totalitarian system should, with positive effort from us, subsequently cause a retraction of Soviet power and influence and eventually cause that system gradually to weaken and decay, although no time limit can be established by which these objectives will be achieved.

3. Although no fundamental departures from the conclusions of the NSC 20 and 68 Series are required, it is essential that we take into account certain factors that have developed or acquired new significance since the adoption of these reports:

a. The United States and its major allies have responded to the perilous situation of 1950; they have responded collectively to the attack upon South Korea; they are improving the security position in Western Europe and in the Pacific; they, and particularly the United States, have significantly improved their readiness for war. These efforts, though not yet complete, have already reenforced the deterrents to general war and reaffirmed the reasoning of NSC 68 by which both preventive war and isolation were rejected as courses of action.

b. There has also been a substantial further development of Soviet orbit strength since 1950. Modernization and expansion programs in the Soviet, satellite, and Chinese Communist armed forces are proceeding, supported by a rapidly growing economic and industrial capacity and by a high level of scientific and technical capability in selected fields of vital military importance. As a result of the developing atomic and possible thermonuclear capability of the USSR, the vulnerability of the United States to direct attack, which is now serious, will in a few years probably assume critical proportions. The same reasoning would apply in general to the defensive position of the Soviet orbit.

4. In the light of these concurrent developments, it must remain the immediate and, we believe, attainable objective of the free world to maintain such over-all strength as will (a) confront the Kremlin with the prospect that a Soviet attack would result in serious risk to the Soviet regime, (b) reduce the opportunities for local Soviet or satellite aggression and political warfare, and (c) permit the exploitation of rifts between the USSR and other com-

munist states and between the satellite regimes and the peoples they are oppressing. The United States should accordingly pursue with determination and constancy the courses of action set forth in the following paragraphs.

Deterrent to General War

5. The United States should develop and maintain, in cooperation with its allies, a position of strength, flexibility and depth adequate to deter the Soviets from deliberately initiating general war and to discourage them from pursuing courses of action involving grave risk of general war.

6. To achieve such a deterrent, the United States should take the necessary measures to:

a. Develop the political unity of and encourage the growth of strength and determination in the free world so as to minimize the likelihood that the Soviets would believe they could undertake local aggression without serious risk of war.

b. Develop and retain, under all foreseeable conditions, the capability to deliver an offensive of sufficient power to inflict massive damage on the Soviet war-making capacity.

c. Assure ready defensive strength adequate to provide in the event of general war a reasonable initial defense and to ensure reasonable protection to the nation during the period of mobilization for ultimate victory.

d. Round out and maintain the mobilization base, both military and industrial, in the United States at a level which in the event of need will enable us to expand rapidly to full mobilization; and, consistent with the maintenance of a vital and democratic society, provide the means for protecting the mobilization base against covert attack and sabotage.

7. The United States should develop a substantially improved civil defense in the light of the capacity of the USSR to deliver an atomic and possible thermonuclear attack against the United States, in order to (a) provide reasonable protection for the American people and maintain their morale, thereby enhancing the freedom of action of the U.S. Government, and (b) increase the capability of the country's economy to recover from such an attack. At the same time the American people must be brought to a recognition of the need to accept and live with a substantial degree of vulnerability.

Areas Outside the Soviet Orbit

8. A preliminary study of problems in the areas outside the Soviet orbit brings out some major causes of concern which indicate the need for a restudy and possible change of emphasis and redirection of certain of our efforts with respect to those areas. These causes of concern are:

a. Whether our major European allies, particularly the United Kingdom and France, have the political and economic capacity (a) to make a fully adequate contribution to the forces of NATO and (b) to support their existing responsibilities outside of Europe.

b. The readily deployable reserve strength of the United States and its allies, together with present indigenous political and military strength in areas on the periphery of the Soviet orbit, is insufficient to permit us to escape from the possibility of having to choose, in the face of local aggression, either the eventual further expansion of Soviet power, inconclusive local counteraction, or general war.

c. Serious internal instability in many areas, caused in varying degrees by the activities of indigenous communist parties, rabid nationalism, economic and political backwardness, and defeatist neutralism, and stimulated by aggressive Soviet and satellite propaganda directed chiefly against the United States, threatens to create conditions where communist influence and control may be extended without Soviet aggression unless effective counter measures are taken.

9. In the light of the above, the United States should:

a. Reexamine the amounts and allocations of resources to various areas in terms of kind, quantity, timing and priority, to determine (1) whether a general increase in the level of free world programs and military forces is required to deal with the several threats; (2) whether the present allocation of resources as between U.S. military forces and other free world forces is appropriate; (3) whether the present balance between military assistance and the various types of economic assistance is appropriate; and (4) whether these allocations are in proper relationship to the threats facing the United States in Europe, the Far East and the Middle East, to the importance of these areas for U.S. security, and to United States commitments. The results of this reexamination should be reflected in the NSC report called for by the President by October 1, 1952.

b. Be increasingly willing to commit military forces or material, as appropriate and in cooperation with its allies, in support of its objectives in specific geographic areas, and to this end include in the reexamination under paragraph 9–a above the necessary study of requirements and capabilities. At the same time the United States should encourage and as appropriate assist in the development of indigenous forces and regional defense arrangements capable of bearing an increasing share of responsibility for resisting local communist aggression. When U.S. forces are committed to combat a local aggression, the action should whenever possible be of sufficient strength and scope to effect a decision favorable to the United States.

c. Increase its efforts to promote internal stability in critical areas outside the Soviet orbit. Here the United States should conduct, with greater vigor, political warfare operations as an integral part of its over-all strategy, in order to reduce communist and neutralist influence, combat anti-American propaganda, and create stronger support for the purposes of United States foreign policy.

Particular emphasis should be placed on measures directed against the effectiveness of local communist parties.

Areas Within the Soviet Orbit

10. Where operations can be conducted on terms which may result in a relative decrease in Soviet power without involving unacceptable risks, the United States should pursue and as practicable intensify positive political, economic, propaganda, and paramilitary operations against the Soviet orbit, particularly those operations designed to weaken Kremlin control over the satellites and the military potential of the Soviet system. However, we should not over-estimate the effectiveness of the activities we can pursue within the Soviet orbit, and should proceed with a careful weighing of the risks against the possible gains in pressing upon what the Kremlin probably regards as its vital interests.

Economic Measures

11. The United States should:

a. Utilize its economic power wherever feasible to facilitate the growth of strength, stability and unity in the free world. The provision of economic assistance designed to achieve these objectives should be closely coordinated with military and political measures and aid should be allocated in the light of the reexamination called for in paragraph 9, above.

b. Be prepared to utilize its economic resources to forestall or, if necessary, to resolve favorably political crises which pose a threat to U.S. security interests, particularly those arising in a context which precludes the effective use of allied or U.S. military forces.

Public Support

12. The United States should undertake systematically and consistently a program of clarifying to the American public and to other peoples of the free world the complex problems of the free world in meeting the Soviet threat, the nature of that threat, the strength and resources the free world possesses to meet that threat, and to the extent possible the reasoning behind the general lines of policy and action described herein, in order to secure that public understanding and support which is essential to the success of our policies and actions.

Negotiation

13. The United States, in cooperation with its allies, should develop a sound negotiating position in any question or dispute involving the USSR and should be prepared to enter into negotiations with the Soviet Union if they offer promise of achieving acceptable *modus vivendi*, or if, for other reasons, they appear to be desirable. On the other hand we should recognize that only enforceable agreements are meaningful and that the major contributions

of negotiation in the foreseeable future may be to convince the world of the validity and sincerity of our position and to serve as a political warfare weapon.

Mobilization Policy

14. The United States should continue to pursue a policy of limited mobilization designed to develop and maintain a favorable power position without resort to an armament effort so large as to disrupt the economies of the free nations. Such a power position should be sufficient to (1) maximize the chance that general war will be indefinitely postponed, (2) provide an effective counter to local aggression in key peripheral areas, and (3) provide the basis for winning a general war should it occur.

15. It continues to be impracticable to fix a tentative D-day by which our preparations for war should be at their peak, although there are estimated time periods within which measures must be taken to reduce or eliminate vulnerabilities of a critical nature.

16. The adequacy of currently projected mobilization goals is a question separate from that of the soundness of the concept of limited mobilization. Appraisal of the present goals must be accomplished on a continuing basis as the various programs are fulfilled and in light of changes in the world situation. The rapid growth of the Soviet atomic capability, the prospect for our continued heavy commitment in Korea, the serious threat to Southeast Asia, the danger of further deterioration of the situations in Iran and Egypt, the grave implications of further Soviet efforts to force the Western powers out of Berlin—all of these portents underline the risks involved in the projected rates of delivery and in adhering to presently programmed force levels.

17. Recognizing the above risks and objectives in the light of the situation facing us, and recognizing that acceleration and upward adjustment of our national security programs as a whole, if necessary, are well within our capacity and can be accomplished without serious adverse effects on the U.S. economy, the United States should:

a. Assure the acceleration of the production of selected military end items under present programs.

b. Place continued high emphasis upon selected scientific and technical programs in fields of military application.

c. Make such adjustments in our national security programs as may be found necessary and feasible in the light of the reexamination called for in paragraph 9 above.

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The Counselor (Bohlen) to the Secretary of State [1]

TOP SECRET [WASHINGTON,] August 21, 1952.

MR. SECRETARY: As I hope to get off at the end of this week for a couple of weeks leave, I may not be back before the NSC 114 Series (now NSC 135/1) will come up for consideration before the Council. The policy paper, [2] the only one to be adopted formally by the Council, is I believe in complete harmony with the views worked out at the meetings with you. Part I of the Staff Study is exactly the same as worked out with you. Part II, [3] despite our efforts to have it laid aside, had to be revised since almost all of the members of the Senior Staff felt a study of this nature was necessary to support the policy statement. It has been revised in close consultation with S/P and is, I think, in harmony with the policy paper. The "Summary and Conclusions" [4] is merely a convenient pulling together of the two staff papers.

There is only one point in the paper as a whole on which S/P still has any doubts and that is the portion dealing with civil air defense, paragraph 60 in Part II of the Staff Study and the corresponding paragraph in the summary of the conclusions. They feel that the last sentence warning against applying a disproportionate amount of resources to defensive purposes is unnecessary and possibly misleading in that our efforts in this field are far from adequate and that the warning therefore is unnecessary. I do not feel that this is too important since the major parts of the paragraphs deal with the necessity of further and improved efforts in the field of civilian defense and it is one that Defense and JCS seem to feel rather strongly about. However, you may wish to discuss it with S/P and you could, of course, at the Council meeting propose some rewording. Aside from this point, I believe that the paper is acceptable to the Department as it stands and I would have no suggestions for changes at the Council meeting. Mr. Walmsley and Mr. Smith [5] will both be here in my absence and they could fill you in in regard to any portions which you yourself may have questions about and particularly as to the attitudes of the other Departments and agencies thereto.

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[1] Copies to Matthews, Ferguson and Walter Walmsley, Jr. of the Office of the Counselor, Department of State and NSC Staff Member.

[2] Reference is to NSC 135/1, Aug. 15, p. 80.

[3] Reference is to Parts I and II of the Annex to NSC 135/1, NSC Staff Study on Reappraisal of United States Objectives and Strategy for National Security, Aug. 22, *infra*.

[4] Reference is to the Draft Statement Submitted to the Senior Staff, Aug. 12, p. 73.

[5] Bromley K. Smith of the Office of the Counselor, Department of State.

There is one point of considerable importance and that is the manner of implementation of paragraph 9 of the policy study[6] calling for a reexamination of existing and contemplated programs in the light of this paper and the terms of reference set forth in paragraph 9. Our view, which I believe is shared by the other Departments, is that this could best be done by a special group set up under the President's direction by the Secretaries of State and Defense with the participation of other directly interested agencies such as MSA, ODM etc. Jimmy Lay has had doubts about this procedure. Some confusion has arisen in regard to the timing of this examination and its relation to the budgetary submissions called for by the President by October first. It is, of course, obvious that any such study could not possibly be completed by October first so that the *last sentence of paragraph 9*[7] *of the policy paper will be deleted.* There was a discussion in the Steering Committee of the Senior Staff as to the material that this reexamination would encompass. Our view, supported by Defense and CIA with JCS uncertain, is that this examination should be made on the basis of the programs recommended by October first to the President for fiscal 1954. If in certain aspects the reexamination could be completed in time to possibly have some effect on the fiscal 1954 budget, it could be used for that purpose. If not, as is more probable in view of the time element, there might at least be guidelines for possible increases or revisions through a supplementary budget or at least guidelines for the preparation of fiscal 1955. If you approve of this procedure, there is a draft Presidential Order, prepared by S/P, calling for the necessary mechanism which you could submit to the Council for adoption.

I am sorry I will not be here to deal in more detail with the paper but I honestly feel that it is in as good shape as it possibly could be and still be agreed by all Departments and agencies concerned. In fact, I consider that the paper as a whole represents a good analysis and recommendations for the situation in the world that we face in the foreseeable future.

C. E. B.

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[6] Reference is to NSC 135/1, Aug. 15, p. 80.

[7] Bohlen is referring to the last sentence of paragraph 9a of NSC 135/1.

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Annex to a Report to the National Security Council by the Executive Secretary (Lay) [1]

TOP SECRET
NSC 135/1 Annex

WASHINGTON, August 22, 1952.

NSC STAFF STUDY ON REAPPRAISAL OF UNITED STATES OBJECTIVES AND STRATEGY FOR NATIONAL SECURITY

PART I

THE BASES OF SOVIET ACTION

1. Whatever the estimate (and the field is, of course, highly speculative) of Soviet future actions or long-range and short-range intentions, there are certain fundamental features of the Soviet system which are generally uncontested by all analyses. There may be, as there have been, wide tactical swings in Soviet policy, but these features of the Soviet system are fundamental and unchanging:

a. The USSR is a totalitarian state, heavily armed and continuously seeking to increase its military potential, where the power of decision rests entirely in the hands of a small group of men. Whatever their ultimate ambitions may be, we can say at a minimum that these men seek to develop the power of the Soviet system relative to the non-Soviet world so that the security of their regime cannot be externally challenged or menaced.

b. By the nature of its state structure, reinforced by its ideology, the USSR is fundamentally and unappeasably hostile to any society not susceptible to its control and consequently will exploit any opportunity to weaken its enemies and increase its own power position in so far as the Soviet rulers deem such action to be compatible with the security of the regime.

c. The directing group of the Soviet Government and of international communism is totally uninhibited by any consideration of a humanitarian, moral or ethical character.

These fundamental features of the Soviet system, regardless of the particular tactical phase of Soviet policy, make it clear that an imbalance of power in favor of the Soviet bloc presents a critical threat to the free nations of the world.

2. In assessing the bases of Soviet action, we can draw one general conclusion from an historical analysis of Soviet policy. It is that throughout their history the Bolshevik leaders of Soviet Russia

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[1] The source text is accompanied by a covering sheet indicating that this is the Annex to NSC 135/1 in the form of a Report to the National Security Council by its Executive Secretary, James S. Lay, Jr., datelined Washington, Aug. 22, 1952. Regarding the origins and development of this Study, see the editorial note, p. 56.

have never been deflected by Communist doctrine from taking whatever immediate steps they believed necessary to consolidate and enhance their position and power in the USSR. The Soviet regime came to power in October 1917 with what the Bolsheviks considered to be a clear, thoroughly thought-out thesis, or doctrine, which described the direction of the future course of world history. In seizing power by a *coup d'état* rather than by a mass uprising, and in a country which had none of the doctrinaire prerequisites for socialism, Lenin immediately violated the inherited doctrine and Stalin has continued to do so ever since. Indeed, the life of the Soviet regime has been in continual contradiction with pre-existing doctrine and, in essence, Soviet actions have represented an unending series of compromises as, with each concrete situation facing them, the Soviets have attempted to resolve these contradictions. The moment they seized power they discovered that inherited doctrine was inadequate to answer the question as to how to exercise power in that country, under those circumstances, at that time. In the effort to consolidate the power attained and to achieve absolute control over the captured state, Lenin sacrificed pre-existing doctrine to considerations of the winning and holding of power. Stalin has continued to do so, and whenever a conflict has arisen between doctrine (in the sense of the revolutionary ideology) and any question of the security of the regime, the latter has prevailed without exception. Where Lenin, however, acknowledged these sacrifices as such, Stalin has twisted the doctrine to fit the needs of power. His policies therefore have been opportunistic in the sense that he has not hesitated, even at the cost of twisting the doctrine, to take advantage of every opportunity to preserve and strengthen the security of the regime and develop the power of the Soviet Union.

3. Similarly, the necessity of maintaining power at home has always taken precedence over the interest in revolution abroad. Due to the dual nature of the Soviet State, the same men are at once the rulers of the Soviet Union and the board of directors of an international conspiracy. Stalin's method of reconciling foreign Communists to the subordination of the interests of world revolution to those of the Soviet State has been by claiming that these interests are identical and by forcing obedience to the concept that the first duty of Communists everywhere is to defend the Soviet Union. To date no substantial sacrifice has been made for the benefit of the world revolutionary movement at the expense of the security of the regime. However, great sacrifices have been made to develop the power of the Soviet system, which could be used to expand the area under Soviet control. It is unnecessary, however, to state dogmatically that the Stalin regime is interested in maintaining power in Russia entirely for the sake of power and not at

all as a base for eventual world revolution, since for the foreseeable future they amount to the same thing, and since power at the center is in any case a precondition to Soviet expansion. The prime preoccupation of the masters of the Kremlin, whatever their ambitions may be, must remain the security of the home base and the development of its power, for there is no realistic sign that in the foreseeable future the internal or external situation will undergo such radical alteration as to remove this prime preoccupation from their minds.

4. Furthermore, the specific nature of the Stalinist regime makes it probable that any Communist regime not susceptible of control by the Soviet Union would be potentially hostile to it. The relationship of the Soviet Union with other Communist states which it cannot control is a subject of extreme complexity and one on which we have very little evidence to base any firm conclusions, but as Tito illustrates, the mere fact of being Communist does not eliminate the possibility of a hostile relationship with the Soviet Union.

5. To say that the doctrine of communism as expounded by Marx and Lenin does not provide any sure guide to Soviet action, in the sense of cause and effect, does not mean that that doctrine does not have an effect of [*on*] Soviet action. The effect is indirect but nonetheless real. It has served as the rationalization and justification of Soviet actions which were actually taken for other reasons. By this fact alone it conditions to an important degree the manner in which actions are often taken. Marxist-Leninist doctrine is also the bait that attracts supporters abroad. In one field, furthermore, it has a very important effect, and that is in the field of analysis of situations in non-Soviet countries. Available information indicates that for the Soviet rulers Marxist-Leninist doctrine forms the basis for their analysis of the development of capitalist society, rivalries between capitalist powers, and the relationship between "colonial powers and colonial or semi-colonial peoples". It is in relation to their view of non-Soviet countries that Marxist-Leninist doctrine plays its greatest role and contains the greatest possibility of serious Soviet miscalculation as to the reaction of other countries. (Finland and Korea provide examples of such miscalculations.) This doctrinaire approach to the outside world has many other indirect effects in connection with Soviet activities. It is the basis on which the idea of an aggressive and hostile world is constantly kept before the eyes of the people under their control. Like other aspects of Soviet theory, the doctrinaire approach to the outside world contains two contradictory theses: On the one hand, it is the rationalization and justification of the consistently maintained propaganda thesis, both at home and abroad, that the capitalist world is constantly planning aggression against the Soviet Union;

on the other hand, it is an integral part of doctrine that the internal and external contradictions of capitalist societies prevent their leaders from taking unified and vigorous action.

6. General war is clearly not something into which the Soviet rulers would enter lightly. One of the chief factors which they would obviously consider would be the relative strength of the enemy. But even if the Soviet military position is favorable relative to the West's, they must regard a major war as involving risks to the Soviet regime, for such reasons as the added strain on the economy and the control of the satellites, the increased problem of defection, and, most serious of all, a possible altering to the detriment of the party of the relationship between party and army, for control over the army is one of the principal cornerstones of the survival of the regime.

7. An understandable reluctance to enter into general war does not mean that the nature of the Soviet system, reinforced by its ideology, permits genuinely peaceful or normal relations with non-Soviet countries. Struggle and tension are the natural environments of such a system. A hostile environment especially abroad, is a necessity for the maintenance of the Soviet system and is not necessarily related to the achievement of any specific foreign policy objective. The "cold war" relationship with non-Soviet countries is not a postwar phenomenon; it began with the seizure of power by the Bolshevik party in November 1917. Preoccupied with the problems of maintaining iron discipline over the captive peoples, the Soviet rulers are obliged to justify such disciplines by the bogey of "capitalist encirclement" and the stated goal of world revolution. A tranquil relationship with the outside world then becomes impossible and their expansionist tendencies spring from a desire to push the edge of freedom farther and farther away.

8. In the foregoing analysis no attempt has been made to draw all possible conclusions covering Soviet actions in all conceivable circumstances since to do so would involve such widespread speculation as to make the result virtually meaningless. It is rather an attempt, based on the pattern of past and present Soviet conduct and in the light of available information, to indicate the most reasonable probabilities as to the type of situations under which Soviet action initiating or leading to war might occur. Our analysis shows that a power imbalance in favor of the Soviet Union involves real risks of war. There is, of course, no certainty that past and present patterns of Soviet conduct will continue indefinitely into the future, but it is highly unlikely that any radical departure from this pattern will occur unless it is preceded by an event of major importance, such as the death of Stalin, or a radical shift in present world alignment which would in itself require a reexam-

ination of the entire paper. With this thought in mind, the following may be stated:

a. If the Soviet rulers should attain, in their judgment, the capability of defeating the United States or of so reducing its power potential as to render it permanently incapable of effectively challenging Soviet power, and if they should come to believe that such action would not involve serious risk to the maintenance of their regime, they would probably deliberately initiate general war.

b. The Soviets might attack the West if they were convinced as a matter of fact, rather than theory, that an attack by the West was actually imminent.

c. War could come from communist action based on initial Soviet miscalculation of the free world's interest and reaction to the situation in some particular area (see paragraph 5 above).

d. War could come from a deadlocked situation in which basic interests of both parties are involved with an act of one side setting off an unwinding chain of action and reaction which neither side would be able fully to control.

The statements in subparagraphs a through d above deal with the circumstances under which the Soviet Union would be most likely to initiate general war, or under which general war is most likely to occur. They are not designed to cover all of the infinite range of possible circumstances, actions and counteractions that might lead to the outbreak of general hostilities. It must be assumed that the Soviet Union would be prepared to use military action to defend areas presently under its control deemed vital to Soviet security interests. Nor can it ever be totally excluded that if in the eyes of the Soviet leaders developments in the power balance appeared directly and imminently to threaten the security of the Soviet Union or areas under its control, they might feel compelled to force certain outstanding issues in such a way that the result might well be the outbreak of war without any deliberate intention on the part of the Soviet Union to bring about such an event.

9. Although there remains a serious risk of general war, it is our present view that the most immediate dangers are of such a progressive and cumulative loss of positions of importance (either as a result of deterioration within the free nations or of communist cold war actions or a process involving both) that the United States would eventually be reduced to an isolated and relatively impotent position.

10. In assessing the danger of local expansion, the following represent certain Soviet criteria, all of which should be present before the Soviet Union would be likely to employ Soviet or satellite forces in overt military action against non-Soviet territory. It should be noted both that the Soviets have miscalculated in the past (as in Finland and Korea) and may again misjudge situations

and also that these conditions, even if met, do not necessarily impel direct exploitative action. These criteria are:

(1) That the territory's accession to Soviet power would have a direct and important effect in improving the Soviet strategic position;
(2) That the territory could be brought under total Stalinist control;
(3) That the internal situation would be such in Soviet eyes as to provide the cover of revolutionary or civil war activity for the intervention of Soviet or satellite forces;
(4) That the use of open armed force would not carry with it a major risk of general hostilities involving the Soviet Union.

The foregoing criteria are not necessarily equally applicable to Chinese Communist action. We do not have sufficient evidence concerning the degree of Soviet control over the Chinese Communist regime to justify applying these criteria directly to possible Chinese Communist actions. Furthermore the Chinese Communist regime, only recently installed in power, presumably has more initial revolutionary fervor and less cold-blooded realism and discipline than the present Stalinist regime.

PART II

RELATIVE POLITICAL, ECONOMIC AND MILITARY CAPABILITIES

Section A: Political

11. The USSR engages in continuing political warfare* against the non-Soviet world. Should the Kremlin in the future launch a major effort to relax international tension, the tempo of Soviet political warfare may be ostensibly reduced and its methods may become more subtle. In one form or another, however, Soviet political warfare against the free world will continue so long as the Soviet system retains its present basic character.

Soviet Political Warfare Capabilities

12. In conducting political warfare the Kremlin has at its disposal the political and economic resources of the Soviet state and the satellites, the network of Communist parties throughout the world, and the Soviet and satellite military potentials. The Kremlin's political warfare capabilities derive from its ability to employ at will, either separately or in concert, all of these elements:

a. With its rigorous control over the political and economic life of the Soviet state the Kremlin can profess to pursue—and often appear to pursue—domestic policies which have wide popular appeal abroad. With its elaborate world-wide propaganda machinery and its unique ability to conceal the realities of the Soviet orbit from foreign observation the USSR can pose, with considerable effect, as the champion of peace and as the pioneer in many laudable social and economic endeavors. The effectiveness of such appeals among the more uneducated and underprivileged peoples of former "colonial" areas of Asia, the Near East and Africa has been demonstrated.

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* Political warfare will be here used in its broadest sense, including psychological warfare, subversion, political and economic pressure, diplomatic action, world-wide Communist activity, etc. [Footnote in the source text.]

b. The USSR enjoys greater flexibility than the West in the conduct of foreign policy because of its greater control over public opinion and its control over the European satellites. It can opportunistically exploit the differences among the Western Powers. It can stimulate tendencies toward "neutralism" by playing upon the desires of many peoples and governments to avoid involvement in a major struggle between the great powers. It has considerable tactical flexibility in attempting to force its adversaries to choose between difficult alternatives.

c. With its virtually absolute control over the economic resources of the USSR and the European satellites, the Kremlin can offer economic inducements, extend economic favors and apply economic pressures in support of its political warfare efforts.

d. The unique facilities of the international communist movement and communist front organizations provide the Kremlin with a world-wide system of strategically placed sounding boards, capable of picking up and amplifying Soviet propaganda themes. These Party and front elements can stimulate "peace" campaigns, and agitate for disarmament and prohibitions against the use of mass destruction weapons. By mobilizing mass pressure groups or penetrating key organizations and government agencies, they can influence official policy. This potential is at present especially serious in France and Italy, and may become so in Japan. By provoking labor disturbances they can impair economic health. By inciting local antagonisms they can weaken political stability. And they have the capability of undertaking missions of espionage, sabotage and open violence.

e. The Kremlin's political warfare capabilities are supported by world-wide fears of the Soviet military potential, which is used to intimidate the USSR's neighbors and inhibit the Western Powers from boldly countering the Kremlin's political warfare operations.

f. The capability of the USSR to threaten local regimes by instigating guerrilla activity and other subversive measures may force the Western Powers to choose between suffering the loss of key peripheral areas by default or committing military forces in an effort to maintain the *status quo*.

13. Under conditions of general war all of the Kremlin's political warfare resources would be mobilized to hamper the Western effort. The Kremlin probably would seek to manipulate the circumstances surrounding the outbreak of hostilities to make it appear that the war was unnecessary, and that it had been brought about by the design of Western leaders against the interests of their peoples, thereby detracting from the unity and will of the free world

effort. At the same time, "hard core" Communist cells in the West would attempt to carry out industrial and military sabotage and espionage, provoke labor disturbances, to stir up racial strife, and to undermine the morale of Western armed forces.

Soviet Political Warfare Vulnerabilities

14. The Soviet Orbit's political warfare vulnerabilities stem in part from some of the same factors which contribute to its capabilities. The Soviet system is highly dependent on its rigid, centralized control machinery. It relies heavily on the elaborate false facade of political progress at home, of enlightened and high-minded policies abroad, of invincible economic and military power, and of the infallibility of Communist doctrine and Soviet leadership. To the extent that this control machinery can be disrupted and the myths out of which this facade is built can be discredited, Soviet political capabilities abroad will be damaged and the Soviet system at home weakened.

15. Potential vulnerabilities in the USSR and the European satellites which might be exploited by political warfare include the following:

a. Disillusionment and resentment in both the USSR and the European satellites over exactions, repressions and personal helplessness and insecurity.

b. Resentment of the rural populations over official agricultural policy.

c. Hostility of minority Soviet nationalities to Kremlin rule.

d. Stifled initiative and mutual distrust among virtually all elements of the population, including the Politburo itself, resulting from the fear and suspicion aroused by Party and police surveillance.

e. Resentment of the satellite peoples over domination and exploitation by the USSR, and especially over the heavy economic burdens which Soviet-dictated policies have imposed on the satellite populations.

f. The highly centralized nature of official control machinery, the thorough disruption of which could result in the serious weakening of the Soviet state structure.

g. Exposure of Soviet methods of seizing and maintaining control over the satellites, which can serve as a powerful incentive for other small nations to resist Soviet overtures or communist penetration.

Some of these vulnerabilities already exist with respect to Communist China and others may develop.

Political Warfare Assets and Capabilities of the Free World

16. The growing realization that the military power and political ideology of the Soviet bloc threaten the national interests of free peoples provides an increasingly realistic foundation for the development of free world strength. Each effective increment to this

strength adds to the morale and resolution of free peoples. In particular, the development of closer cooperation and rearmament in Western Europe and the association of Western Germany and Japan with the free nations will progressively add to the free world's strength and confidence.

17. The principles of free democratic government, the rights of individuals and the opportunities for peoples to develop their own national and cultural interests free of outside interference still have broad appeal. Insofar as the governments of the free world are able to demonstrate that these principles are being pursued and advanced, progress can continue to be made toward enlisting popular support both within and without the Soviet bloc.

18. More particularly, the free world's political warfare capabilities include the following:

a. The free world still controls the vast bulk of the world's economic resources and productive capacity. By appropriate economic measures, the U.S. and its allies can help to deprive the Soviet orbit of needed resources and retard the development of Soviet orbit military potential. By skillful execution of other measures against the Soviet orbit, the United States and its allies may sap the morale of satellite leaders and encourage rifts between the USSR and the satellite countries. It should be recognized, however, that measures of these types alone, however vigorously pursued against the Soviet orbit, cannot be counted on drastically to reduce the threat which the Soviet system poses to the free world.

b. In the countries outside the Soviet orbit the free world can weaken Communist organizations and reduce the Communist potential for revolution and sabotage.

Political Warfare Weaknesses and Vulnerabilities of the Free World

19. Nevertheless, the free world is beset by grave problems, some of which—quite independent of any Soviet action—reduce its strength and resolution:

a. It consists of independent nations and dependent areas with varying interests and objectives. It consists of the NATO allies, among whom there are important divergent interests; various pro-Western countries such as the Latin American nations and the British Commonwealth countries which are associated in varying degrees with the NATO powers; and a large group of countries such as Burma, Indonesia, and the Arab States which do not actively participate in the East-West conflict. While basically elements of strength, these varying interests and objectives make the free nations susceptible to communist divisive pressures.

b. The economic and social conditions of large masses of people have not improved enough to combat the appeal of communism.

c. The principal nations of the free world have been obliged, for one reason or another, to work with unpopular and undemocratic governments. This has caused dissention, resentment, and disillusionment in various quarters, and has thus created opportunities for communist exploitation.

d. The lack of strong and dynamic governments weakens the ability of numerous free countries to cope with social, economic and rearmament problems and to act vigorously in the cold war. In continental Western Europe, for example, the narrow parliamentary majorities and fragmentation of political parties in such key countries as France, Italy, and West Germany impairs the development of NATO strength. In the Near and Far East, the inexperience of the present leadership, widespread corruption and lack of a firm popular base hampers the ability of various countries to strengthen themselves internally and to cope with Communist and extremist pressures.

e. The rise of nationalism in important areas of Asia and Africa has created many divisive conflicts. This nationalism is still largely anti-Western. It represents a reaction against the former or remaining colonial controls, and is aggravated by the reluctance of certain colonial powers to face the problems created by the recent growth of nationalist feeling.

f. Continuing economic weaknesses within even the principal non-Soviet powers hamper the development of free world strength and provide opportunities for Communist exploitation. Despite continued economic expansion, largely with U.S. assistance, the Western countries are still susceptible to economic crises resulting from unfavorable trade patterns, the burdens of rearmament, and inadequate governmental fiscal systems and anti-inflationary controls. In Asia and Africa economic weakness results largely from the lack of development of national resources, which has prevented local governments from satisfying rising popular demands and achieving political stability and economic viability.

20. There are, moreover, varying degrees of resentment, fear and distrust of the United States in many parts of the free world. In some quarters of Western Europe there is still some fear that the United States will recklessly precipitate a general war with the USSR or leave Western Europe unprotected after provoking the USSR to take military action. There is also popular resentment over certain U.S. trade policies and over U.S. pressure for increased rearmament efforts. In many quarters through the Middle and Far East there is a feeling that the United States has supported the colonial powers, and in the Arab states there is resentment over U.S. support of Israeli independence.

Section B: Economic

Economic Assets and Vulnerabilities of the Soviet Orbit

21. The economy of the Soviet orbit is being steadily expanded, including long-term development of the orbit's strategic potential. Particular attention is apparently being given to capital construction, chiefly in the heavy industries and in the electrical, transportation, and communications fields. Under this program an estimat-

ed 25% of the USSR's gross national product is going into capital investment. The USSR is thus increasing not only its actual production but—more important—its basic industrial potential.

22. A high level of immediate war readiness is being maintained. In 1951 about 16% of the Soviet gross national product went to direct military expenditures, and additional substantial sums, amounting to an estimated 7% of the gross national product, were spent on research and development in fields of military importance and on strategic stockpiling, post-enlistment and pre-enlistment training, the maintenance of internal security troops, and other activities directly contributing to the present Soviet war potential.

23. The industrial economies of the European satellites are being expanded and integrated with that of the USSR. They already contribute to the USSR large, and in some cases critical, quantities of raw materials and industrial goods, including uranium ore and concentrates, petroleum products, industrial chemicals, and engineering equipment. The importance of the contributions will increase as production programs develop and Soviet-satellite integration progresses.

24. Many major Soviet plants are designed and equipped for rapid conversion to war production, and strategic considerations appear to have an important bearing on the location of new industrial installations. Because of this emphasis on strategic considerations, in many cases accomplished at the expense of consumer needs, and because of the rigorous control which the Kremlin exercises over all important aspects of Soviet economic activity, a comparison of Soviet and Western production figures is of only limited value as a gauge of relative war potential.

25. In the event of early general war the Soviet economy could, in the absence of destruction from Allied attack, support a substantial increase in military production. The Soviet munitions industry has a sizable reserve capacity, and many other industries could be quickly converted to serve military needs. During the early phase of operations stringent controls over the allocation of materials, transportation and labor could prevent the development of critical deficiencies. In a prolonged war, however, certain shortages probably would weaken or limit some phases of the Soviet military effort. Successful allied air attack would, of course, greatly aggravate these difficulties.

26. The Soviet orbit is largely self-sufficient in raw materials, and dependence on outside sources in relation to total consumption of most commodities is relatively small in peace-time. The chief commodities for which the USSR is dependent on sources outside the Soviet orbit are rubber, tin, wool, jute, and industrial diamonds. Economic deficiencies which are expected to persist during

the next few years include such items as certain types of aviation fuels, some chemical items, electronics, merchant shipping, some types of machinery equipment and precision instruments, certain nonferrous metals and ferroalloys, and a wide variety of replacement parts and equipment components. Agricultural production in the USSR and the European satellites meets requirements for the comparatively low levels of consumption.

27. The Soviet bloc transportation system, in which railroads occupy by far the most important position, represents a stringency in the peacetime economy but in wartime it has the capacity, after cutbacks in non-essential traffic, to meet military and major economic requirements in a major war. This estimate assumes no damage from hostile attack. The difference in gauges between the Soviet and satellite rail systems necessitates the transloading of all freight to standard gauge at or near the borders of the Soviet Union. Some 16 transfer zones, several of which are extensive in nature, retard through freight movements, but their capacity is adequate to handle Soviet logistic requirements. Despite the foregoing limitations, the Soviet rail system is probably better equipped to support a major war effort than it was in 1940.

28. The close balance between availability and requirements in many items of importance to the Soviet Bloc economy, together with the vulnerability of some important segments of the economy to air attack, would represent the principal weakness in any effort to maintain or strengthen the economy of the Soviet bloc under wartime conditions. The concentration of certain industries in areas accessible to Allied bombers and the extreme difficulty of replacing or reconstructing plants makes these industries highly vulnerable. Attacks on these industries could produce a serious reduction in the supply of vital services and commodities; however, substantial stocks of these commodities and of military end items, which are widely dispersed, would prevent the full effects of such losses from being felt at the front during the early phases of the conflict.

Assets and Vulnerabilities of the Free World Economy

29. The great strength and flexibility of the United States economy is a principal asset of the free world. This is shown by a few data on U.S. gross national product (in billions of dollars at 1951 prices):

	1950	*1951*	*1952*	*1953*
GNP	302	328	345	363
Total Govt. purchases of goods and services	46	63	83	95

	1950	*1951*	*1952*	*1953*
Of which:				
For natl. security	20	37	56	67
For all other purposes	26	26	27	28
Personal consumption expenditures	208	206	210	218
Gross private domestic investment and net foreign investment	48	59	52	50

30. This great strength and flexibility of the United States economy would, however, be subjected to severe stresses under wartime conditions. The United States would be the primary arsenal of the entire free world to an even greater degree than was the case in World War II. The degree of shift of resources from normal economic purposes to war-waging activities would be much greater than the corresponding shift in Soviet orbit countries. The U.S. economy is dependent upon outside sources for more vitally needed raw materials than the Soviet and this condition would be accentuated during war. The maintenance of control over producing areas, and the maintenance of supply lines to these areas would place an added strain upon war-oriented economy.

31. However, the United States and some other countries in the free world are currently engaged in a mobilization program which is designed to facilitate any future shift to a war economy and to maintain a substantial level of strength over an extended period. Industrial capacity is being created, susceptible of shifting to direct war support, which otherwise would have to be built in the early stages of actual conflict. In most cases, under present programs and schedules, this capacity will serve concurrently to support a rising consumption level and a structure of weapons facilities and a flow of actual weapons output, both in conventional armament and in weapons of mass destruction. Sources of materials supply, both within the continental United States and elsewhere in the free world, are being steadily expanded, with exceptions in the case of certain important materials. Actual stocks in the government-owned stockpile, though still deficient in some materials, have increased steadily since mid-1950.

32. Elsewhere in the free world, efforts aimed at broadening and strengthening the industrial base are proceeding much more slowly. The United States has assisted this development in such fields as electric power, transport of all kinds, steel capacity, nonferrous metal production, and agriculture. There has been a welcome inheritance in Western Europe from four years of Marshall Plan cooperation. The net outflow of resources from the U.S. econo-

my is and will be greater than that from the Soviet economy to its satellite areas; indeed, the flow of assistance is to a considerable degree inward to the Russian economy rather than outward.

33. The task of strengthening the U.S. economy against the contingency of war is one which has been accepted and will be carried out by U.S. industry. To accomplish the established goals of the armament program, a relatively smaller diversion of resources away from consumption goods will be required here than is necessary to achieve comparable goals in the Soviet orbit.

34. There is now evidence to support the view that projected U.S. armament programs, including the program for industrial expansion, can be maintained with less restriction on the civilian economy than was believed possible a few months ago. One reason for this has been the steadily increasing capacity of the American economy to produce civilian and military goods; each year that passes will, by past experience, see further improvement in that capacity. In addition, the pressure upon the civilian segment of the economy has been less than was expected at the end of 1950 because military requirements then stated have been subsequently modified by a stretch-out. This situation could permit an acceleration in the production of certain military end items over the schedules now contemplated; it holds out the further possibility that the United States is capable of sustaining a generally higher level of arms production than is contemplated by currently projected programs.

35. But the maintenance for several years ahead of a complex program of (a) increasing our present lead in weapons of mass destruction, (b) expanding current output of conventional armament, (c) expanding and balancing the war-supporting industrial base, and (d) assisting free world allies to increase their own military and economic strength—all rest on the willingness of the American public to sustain and support the resulting burden. This burden may involve a willingness in the United States and allied countries to accept an increased diversion of scarce materials and other resources to armament production through more severe direct physical controls. In addition more vigorous price and credit controls and a heavier tax burden would be required in order to protect the economies of these nations. The combined efforts of labor, capital and management must contribute to the accomplishment of the task at hand, with each accepting a comparable degree of sacrifice. The effort must stem from conviction of its value.

36. Allocation of budgetary money costs to military purposes within the free world presents a further difficulty. A relatively free price system is sensitive to the threat and actuality of government deficits. In 1950-51, the free world endured a punishing object

lesson in the added money cost of military programs; the threat of inflationary effects, even without budgetary deficits in any of the leading free nations (e.g. U.S., U.K., Canada) set off a wave of advancing prices. Planning the level of military build-up must therefore include as a factor, and recognize as a limit, the effect of varying levels of military expenditure upon tax burdens and inflationary pressures.

37. A comparison of relative production figures gives only an imperfect picture of the war potential of the Soviet economy. Subject to this qualification, however, the figures in the attached table represent the situation with respect to several key items.

	USSR 1940	*USSR 1951*	*US 1951*	*USSR Plus European Satellites† 1951*	*US Plus NATO countries 1951*
Steel (thousands of metric tons)	18,000	30,000	95,370	37,300	135,260
Coal‡ (thousands of metric tons)	166,000	227,000	523,000	400,000	934,000
Crude Oil (thousands of metric tons)	32,000	§43,000	334,000	53,000	342,000
Electric power (millions of kwh)	50,000	104,000	432,000	150,200	653,800
Bread grains (wheat & rye) (millions of metric tons)	‖56.2	58.1	27.4	81.2	75.6
Aluminum (thousands of metric tons)	59.9	200.0	759	222	1380
Synthetic rubber (thousands of metric tons)	82.0	172	975	223	1039
Sulphuric acid¶ (thousands of metric tons)	1,540	3,250	13,500	4,268	21,935
Rail Transportation (billions of ton kilometers)	415	673.0	1012	764	1202

†Including Soviet Zone of Germany. [Footnote in the source text.]
‡In hard coal equivalent. [Footnote in the source text.]
§Includes synthetic liquid fuels. [Footnote in the source text.]
‖1935–1939 average. [Footnote in the source text.]
¶Annual production rate at end of 1951. [Footnote in the source text.]

38. In terms of both available resources and productive capacity, the Soviet bloc is in a position of marked inferiority vis-à-vis the free world; moreover, although the Soviet position is still improving, in the foreseeable future the orbit's basic economic strength will not approach equality with the free world. Moreover, the Soviet bloc would encounter greater economic difficulty than the free world in expanding military production from present levels, with or without war, partly because of the low level of civilian consumption now existing in the USSR. Nevertheless, the Soviet orbit, through its total control over the Soviet economy and population,

can utilize a high proportion of the Soviet orbit resources and potential to achieve and maintain the present level of military preparedness. In the absence of general war, it is far more difficult for the free world to achieve an adequate utilization of its resources and potential to counter the Soviet threat. The present Soviet advantage in available military equipment (stockpiles), in current military production of certain items and in preparedness for expansion of military production derives from the fact that such production has continued at a high rate since 1945, and from the Kremlin's centralized control over the economy.

39. The increasingly destructive power that will be available to both sides could make it more difficult to ensure the effective conversion of the economies to full war production. In planning the utilization of its resources in the absence of general war, therefore, the free world cannot give the same weight as in previous wars to its heavy preponderance of productive capacity and economic potential as the determining factor in preventing or winning a general war.

Section C: Military

Soviet Capabilities

40. The Soviet orbit now has formidable military capabilities. The principal elements of communist armed strength in being are the Soviet Army of about 2½ million men organized into about 175 divisions; the several Soviet Air Forces of about 600,000 men and 20,000 aircraft; the Soviet Fleet of about 680,000 men and 810,000 tons of naval vessels, including 370 submarines of which about 100 are long-range vessels. Available to complement these forces in the cold war and to supplement them in the event of general war are the Chinese and satellite armed forces, although their effectiveness is conditioned by their combat-readiness and political reliability. While the size of the Soviet forces is relatively stable, it appears that the Chinese and satellite forces are in the process of being both expanded and modernized as to equipment. The satellite armed forces now total over 1,000,000 men in about 70 divisions, with an estimated expansion to over 1½ million men in 120 divisions to be reached by late 1953. Satellite air forces are being organized and equipped with modern Soviet planes. The Chinese Communist army of over 3½ million men is the most powerful ground force in the Far East. Its capabilities will probably increase with the provision of Soviet equipment and higher standards of organization and training under Soviet direction. The Chinese air force appears to be expanding in size and is using modern Soviet aircraft.

41. It is estimated that at the end of 1951 the USSR possessed a stockpile of about 30 atomic weapons with an energy yield between 30 and 70 kilotons. Current estimates indicate that the Soviet stockpile of atomic weapons will increase approximately as follows: mid-1952, 50; mid-1953, 100; mid-1954, 190; mid-1955, 300. In view of the many uncertainties and variable factors involved, the Soviet weapon stockpile at any given time may be half as large or twice as large as the figures stated above. Despite its over-all economic inferiority in comparison with the free world, the Soviet system has also succeeded in developing significant electronic, and possibly BW and CW capabilities.

42. Because of the advanced state of mobilization of the Soviet economy, and because of raw material and equipment reserves which the Soviets probably have accumulated, the Soviets would be able to support extensive military operations of an offensive nature during the early phases of a general war. However, the relatively smaller size of the Soviet industrial base, its relative inflexibility and relative shortage of developed resources, would render it less capable than the U.S. economy of sustaining a protracted general war.

43. The air defenses of the USSR have improved substantially since 1945, and an air offensive against the principal Soviet centers of population and industry would encounter vigorous and determined opposition. Although deficiencies in Soviet air defenses now exist, the Soviet air defense system can be expected to make the cost of air attack increasingly high within the next few years. While it is not possible accurately to estimate the immediate effects of our air offensive against the USSR, it appears that we will retain the capability of inflicting damage of such magnitude as to reduce substantially the over-all Soviet potential through destruction of military and economic targets.

44. The Soviet advantages in war derive from an abundance of manpower which it can use with little regard to losses, large inventories of military equipment with production lines in being, a highly effective world-wide intelligence and subversive system, and sufficient area to permit absorption of heavy military losses without decisive results. Soviet disadvantages result from shortages of raw materials and industrial capacity—which would be accentuated by hostile attack—and the problems involved in the retention of Kremlin control over the armed forces and dissident elements. The advantages which normally would accrue from interior lines of communication would be offset to some extent by limited transportation networks over vast areas.

Free World Capabilities

45. While the armed forces of the free world are significant in size, it would be misleading in terms of capabilities to tabulate their totals. Their far-flung geographic deployments, conflicting national interests, their differences in training, organization, equipment, and will to fight, all detract from the value of tabulating totals.

46. Bearing in mind the above reservations, it is nevertheless useful to indicate briefly the extent to which the military forces of the United States and its allies have been strengthened since mid-1950:

a. There are more than twice as many men and women in the U.S. armed services as there were in June 1950 (the increase is from about 1.7 million to about 3.6 million). There will be about 20 Army and three Marine divisions in being in FY 1953. The state of combat readiness is being steadily improved as a result of training, experience, and the flow of modern equipment.

b. U.S. monthly production of military end items is five or six times as large as it was in June 1950. Between July 1951 and May 1952 the monthly deliveries of military end items have risen from an annual rate of $6.4 billion to $17.8 billion, and the trend is sharply upward. In the aircraft field, deliveries have increased as follows:

	Average Monthly Rates	
	FY 1951	*FY 1952*
All military aircraft	310	628
Medium bombers	10	23
Fighters	136	235

There has been a substantial increase in the number of NATO forces on active duty in Europe. Also, the normal service period for conscripts has been increased in most countries. Excluding U.S. forces in Europe, and excluding Greece and Turkey, the data for army, navy, and air forces combined are as follows:

1/1/1950	1,407,200
1/1/1951	1,648,000
1/1/1952	1,880,000

In the case of Greece and Turkey, the mid-1952 data for army-navy-air forces on active duty in Europe are: Greece 161,000; Turkey, 384,000.

47. In the NATO area the free world will increase its military strength during the years immediately ahead, if progress continues

to be made toward solving the political, economic, and morale difficulties which hamper the growth of a strong defensive posture. Greece and Turkey, with their significant forces, are being successfully integrated in NATO; Greek-Turkish-Yugoslav military cooperation is beginning to develop; the juridical basis for Western German rearmament is being established; and Spain's participation in Western defense plans is a developing prospect. However, our major European allies, particularly the UK and France, are encountering major obstacles in making a fully adequate contribution to the forces of NATO and in supporting their existing responsibilities outside Europe. The volume and rate of delivery of U.S. assistance, which in turn depends upon production and availability of material, is a major factor in determining the size and timing of the genuinely effective forces which can be created. On balance, the NATO commitments, and such additional declarations as those of the United States and its allies concerning Berlin, together with European efforts and U.S. assistance, have made it clear that military action in Europe by the USSR or its satellites would almost certainly lead to general war. It is therefore unlikely that the Soviet orbit will take military action there unless it is prepared to engage in general war. If general war should occur, however, even with the improvements which would result from achievement of the foregoing, it is not expected that the free world will have the capability by mid-1953 of holding more than lodgement areas in Europe against a determined Soviet assault, or that Western Europe as a whole can be assured against Soviet occupation prior to 1956.

48. Developments affecting the military position of the free world in the Far and Middle East are more difficult to predict. In the Far East, this is due in part to the uncertain situations in Korea and Southeast Asia. Additionally, there are a number of political and economic problems surrounding the question of Japanese rearmament, but the contribution which Japan can make to the free world renders it imperative that the restoration of Japan continue to be a major objective. For a strong and friendly Japan would provide a natural anchor for Western defenses in the Pacific and would make an immense contribution to the maintenance of the free world position throughout Asia. In the Middle East, the primary threat appears to be communist exploitation of political and economic instability, rather than direct military intervention. Continued deterioration of conditions there could result in the loss to the West of strategic positions and resources. Under a continuation of present programs, priorities and force dispositions, it does not appear that free world military capabilities in the Far East and Middle East will significantly improve.

49. Free world advantages derive from its ability to project its strength outward to the enemy; its atomic capability; a three or four to one superiority in industrial capacity; and a vast area many principal parts of which would not be vulnerable to attack by massed manpower. Offsetting these advantages are the normal conflicts of interest among sovereign nations; unwillingness or inability to assume commitments which would produce additional strains on limited resources; and the tendency of free peoples to avoid sacrifice until they realize that the danger facing them is of such magnitude that it can no longer be ignored.

Comparative Prospects in the Cold War

50. Through ruthless exploitation and domination, the USSR since 1945 has created a system of satellite states with military forces with which we must reckon. We now credit the satellites, aided logistically by the USSR, with the capability of defeating Yugoslavia if not assisted by the West, although Yugoslavia prior to leaving the Soviet orbit was the strongest military force in the Balkans. The Chinese People's Republic, in control of the Chinese land mass and apparently responsive to Soviet influence, has stalemated the situation in Korea and appears to have the capability of overrunning mainland Southeast Asia against the pro-Western forces presently in the area. Thus there are available for communist aggression, under the direction of the Soviet Union but without direct Soviet involvement, military forces adequate to achieve local superiority in important areas unless the free world intervenes.

51. The free world's response to local aggression is handicapped by a number of factors. First among these is preoccupation with the threat of global war. The fear of our allies is that the over-all strength of the United States is not sufficient to insure that action can be taken to counter local aggression without serious risk of general war. From this stems the fear of attrition and dispersion of resources (while the Soviet Union is able to retain the concentration of its military forces) and the doubtful willingness and ability of the European democracies to devote sufficient of their national resources to distant areas while their homelands remain vulnerable to direct Soviet attack. There is also the apathy of the threatened areas toward communism, which, when coupled with xenophobia and nationalist aspirations, hampers the ability of the Western powers to defend these areas.

52. Notwithstanding these inherent difficulties, the free world is not incapable of responding effectively to local military challenges. Moreover, its over-all rearmament effort is re-enforcing existing deterrents to those aggressive acts which would be likely to lead, in the opinion of the Soviet, to general war. Europe is being made safer from direct ground assault and the United States is signifi-

cantly increasing its armed forces and its readiness for war. One result of the United Nations action in Korea has been to create uncertainty in the minds of the Soviet leaders regarding future Western reaction. The sum of these developments has the result of significantly narrowing the opportunities open to the Soviets for aggression by proxy without serious risk of general war. However, there is still a serious threat of communist expansion into Southeast Asia and a more indirect communist threat to the Middle East. Despite the vital interest of the free world in assuring that these areas do not fall behind the Iron Curtain, measures to deal with a sudden worsening of situations in the Far and Middle East are not now provided for under present programs, priorities and force levels. In the circumstances, the questions arise (a) whether these serious threats can be met by a re-distribution of the free world's effort presently programmed, or (b) whether consideration must be given to increasing the total effort, or (c) both. It is evident that a revision of existing priorities would be accomplished at the expense of the NATO area. It is to be noted in this regard that the analysis in Part I of this paper views a deliberate Soviet attack on Europe (made in the full knowledge that such an act would bring the North Atlantic Treaty into operation) as very unlikely, unless the Soviets believed themselves capable of dealing the United States a "decisive" blow or of so reducing the power potential of the United States as to render it permanently incapable of effectively challenging Soviet power. It is the conclusion of a subsequent section of this analysis that the Soviets do not now possess such a capability. From the foregoing it may be argued that the relative improvement of NATO defenses, including the organization of SHAPE and the promise of greater forces over the next two years, would increasingly permit a shift of emphasis to other areas. On the other hand, notwithstanding the heavy concentration of the military effort in Europe and the fact that considerable progress has been made, achievement of the tentatively planned NATO armament goals is by no means assured. NATO is now aiming to achieve a balanced 25–50 division force (exclusive of Greek and Turkish forces) by the end of calendar 1952, with all force levels beyond that date provisional and subject to annual review. The prospect is, therefore, that continued progress even toward NATO force levels below those regarded as militarily desirable will require continued application of effort on that area.

General War

53. At present the Soviet system has the military capability of overrunning large portions of continental Europe, the Near East, and Southeast Asia before the free world could mobilize and bring to bear forces adequate to halt the Soviet drive. Powerful blows

could be struck by Soviet air and submarine forces against the U.K. and Japan, perhaps sufficient together with BW, CW, and sabotage operations, seriously to reduce the usefulness of these positions as bases. The Soviet system does not now have adequate naval forces and sufficient shipping to enable it to make large overseas amphibious type attacks. The USSR does not now appear capable of occupying the U.K. The air forces of the Soviet system are now capable of providing adequate tactical support to the ground forces. U.S. bases overseas could be brought under attack with atomic and other weapons. The Soviet long-range air force is capable of atomic attack on the United States and might achieve surprise in the initial strike. Sabotage and overt and clandestine BW and CW attacks could be employed against a variety of targets, including important military, industrial, and governmental targets in the United States.

54. The most promising development in the defense of Western Europe is the prospect of integrating the resources of Western Germany into the European Defense Community. If the political and economic obstacles can be surmounted, and if the output of equipment can be sufficiently expanded to provide arms for the forces that will be available, a significant change in over-all capabilities may take place in a few years. Further, the availability of tactical atomic weapons in the near future will add greatly to the Western defensive potential. The equipping and training of the Japanese Police Reserve will provide an additional ten divisions by 1954 for the defense of Japan, which will improve the prospect of successfully implementing Western strategy in the Far East. Under presently projected programs, it is unlikely that the Free World will be able during the next several years to do more in the Middle East than provide the forces required to hold certain vital areas in the face of Soviet assault.

Atomic and Possible Thermonuclear Developments

55. The capabilities of the United States and USSR in the field of weapons of mass destruction are considered primarily in the context of general war. However, it is recognized that the possession of stockpiles of these weapons by both sides will have an increasing impact on the tactics employed in the cold war and that appropriate atomic weapons may be employed by either side for limited purposes. It should also be borne in mind that atomic and possible thermonuclear capabilities must be considered in their relationship to conventional military capabilities, since the two are inter-dependent and mutually re-enforcing. Superiority in one sphere does not completely offset deficiency in the other.

56. The unknown factor in all calculations of relative capabilities is the effect atomic warfare may have on both sides. The possi-

bility that either or both sides may, during the next two to five years, develop and have available for use thermonuclear weapons many times more powerful than atomic bombs accentuates the difficulties of attempting to assess future situations.

57. It is the developing atomic capability of the USSR and the probable advent of the thermonuclear weapons, together with the bipolarization of power and the imbalance of conventional armaments, which significantly change the security position of the United States and require a searching re-examination of current policies and programs. These developments render the United States vulnerable to direct attack of serious proportions.

58. The new security problem lies in the great power of atomic and thermonuclear weapons and the possibility that the USSR and the United States may each achieve a capability sufficient to:

a. Seriously cripple for many months the ability of the other to mobilize and carry on an organized war effort.

b. Place the ultimate victory of the other in grave doubt.

c. Render both sides through exchange of atomic and possible thermonuclear blows incapable of achieving a clear-cut decision.

By steady production and accumulation, both sides must be presumed to be advancing toward the day when they will possess the capability to achieve one of the above results; and the prospect is that neither side will be able, short of war, to arrest the progress of the other toward such atomic and possible thermonuclear strength.

59. The United States is increasing its atomic strength and may soon develop a thermonuclear weapon. There is, in fact, every indication that its present advantage in atomic weapons stockpile and in the production of fissionable materials will be further increased; and means for their delivery exist. The free world will thus continue to have a significant advantage in the event of war, but it does not appear to be conclusive that the possession of a superior atomic and possible thermonuclear capability can of itself provide assurance against deliberate initiation of general war. This is so because the controlling relationship in the atomic equation appears not to be that of stockpiles to each other, but rather the relationship of one stockpile, plus its deliverability, to the number of key enemy targets, including retaliatory facilities, which must be destroyed in order to warrant an attack. If this latter relationship is controlling, then it follows that the Soviets may achieve what is, in their judgment, a level of atomic strength sufficient to warrant the risk of an all-out surprise attack, even though this level be inferior—in absolute terms—to the then-existing atomic strength of the United States.

60. There are several means open to the free world for increasing the difficulties and dangers of an attack which the Soviets might contemplate, and thus for extending for the foreseeable future those conditions which will not be favorable to a general Soviet attack. For the present, it apears that the USSR does not have the means to deliver a decisive attack upon the free world. However, Soviet atomic capabilities will presumably continue to grow. While increased defensive countermeasures can serve to postpone the attainment of a Soviet capability which the Soviet leaders might regard as sufficiently devastating to warrant an attack, it does not appear that measures which are feasible for the free world to take can prevent the probable attainment of a Soviet capability to damage critically the United States. Two factors underline this conclusion: (a) the increasing cost of effective defense and (b) the limitations on the development and maintenance of defensive measures which free society can impose upon itself without losing a substantial degree of the freedoms now enjoyed. The free world for its own protection must take measures to improve active and passive defense, including the exploration of new technological possibilities, but nevertheless must probably accept a substantial degree of vulnerability and avoid disproportionate concentration of resources on defense at the expense of measures necessary to project its strength outward to the enemy.

61. On the other hand, the free world's continued possession of a superior atomic capability should constitute a powerful deterrent. For in the event of war, the Soviets would understand that, unless they could derive decisive results from the initial attack, in the ensuing series of atomic strikes and counter-strikes the advantage would lie with the side having the larger stockpile and the greater and more flexible means of delivery. In the event of war under such conditions, the Soviets would face the probability that the free world would retain the capacity to carry out atomic attacks after the Soviet stockpile was exhausted. Such considerations would probably re-enforce Soviet reluctance to initiate general war.

62. In light of the reluctance of the Soviets to expose their power center to direct attack, it is basic that we maintain the capacity to deliver an atomic offensive of adequate power under all foreseeable conditions, i.e., despite sabotage, enemy attack, or adverse political developments in overseas areas where U.S. forces are based. Provided that the necessary effort is made to assure their continuing validity, three factors may be cited in support of the view that we can maintain such a capacity: (1) the free world's substantial atomic superiority and the high probability that the margin of this superiority will increase; (2) the development of well-dispersed overseas bases close to the sources of Soviet political and industrial

power; and (3) the increasing variety of mass destruction weapons and of the methods of their delivery. In combination these factors support the view that the United States and its allies hold it within their power to develop and maintain a position of strength, flexibility and depth adequate to deter the Soviets from deliberately initiating general war and to discourage them from pursuing courses of action involving grave risk of general war.

63. The concurrent development of two atomic and possible thermonuclear capabilities will steadily increase, for both sides, the adverse consequences of general war. It must however be expected that the value of the free world's atomic and possible thermonuclear strength, while it will remain high as a deterrent to general war, may diminish as a deterrent to local Soviet-inspired aggression. For in the face of the increasingly grave implications of general war, democratic governments may experience difficulty in facing up squarely to a Soviet challenge to an area distant from the homeland; whereas the Kremlin can probably take greater risks. The prospect must accordingly be faced that, with the accumulation on both sides of atomic and other mass destruction weapons, the developing situation may present a continuing and possibly improved opportunity for Soviet expansion by the techniques of political warfare and local aggression, if the free world permits the fear and threat of general war to paralyze its reaction to such threats.

64. Nevertheless it is also possible that U.S. possession of atomic weapons, particularly tactical types, will operate as a deterrent to local aggression by providing an effective means of defeating it without resort to general war.

PPS files, lot 64 D 563, "Review of NSC 68 & 114"

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Lovett) [1]

TOP SECRET WASHINGTON, 29 August 1952.

Subject: Reappraisal of U.S. Objectives and Strategy for National Security and Annex Thereto. [2]

1. This memorandum is in response to your memorandum, subject as above, dated 19 August 1952, [3] in which you requested the

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[1] A covering memorandum from Lay to the National Security Council, dated Sept. 2, reads: "At the request of the Secretary of Defense, the attached views of the Joint Chiefs of Staff with respect to the reference report on the subject are circulated herewith for the information of the National Security Council in connection with Council consideration of NSC 135/1 at its meeting on September 3, 1952."

[2] Reference is to NSC 135/1 and its Annex, pp. 80 and 89, respectively.

[3] Not found in Department of State files.

comments and recommendations of the Joint Chiefs of Staff with respect to NSC 135/1, a draft statement of policy by the National Security Council Staff on the above subject.

2. The Joint Chiefs of Staff are generally in accord with the proposed policy on Reappraisal of U.S. Objectives and Strategy for National Security as set forth in NSC 135/1. In view of the present and prospective Soviet threats to U.S. security, the Joint Chiefs of Staff feel that the timing of the military buildup is of the greatest importance and that it should be expedited to the extent feasible in the light of other compelling considerations.

3. The Joint Chiefs of Staff are not unmindful of the importance of timely use of military forces in support of national policies and in order to check the cumulative losses to the free world of areas of great importance to our national security. They consider, however, that in order to avoid maldeployment with respect to readiness for general war a decision as to the use of military forces should be made only after careful consideration of conditions existing at the time.

For the Joint Chiefs of Staff:
Omar N. Bradley
Chairman
Joint Chiefs of Staff

S/S–NSC files, lot 63 D 351, NSC 135 Series

Views of the Chairman, NSRB (Gorrie), on "Reappraisal of United States Objectives and Strategy for National Security" (NSC 135/1)[1]

TOP SECRET [WASHINGTON, undated.]

1. The Policy Statement (NSC 135/1) and its supporting documents, when viewed in the light of the status of our national security programs (NSC 135), fail to supply the Resources Board with an adequate framework for the evaluation of the several programs relating to the nonmilitary security of the United States regarding which it advises the President. Programs for passive defense including civil defense, dispersal of industry, rehabilitation of industry after attack, and the continuity of the essential functions of Government, all have been proceeding with inadequate policy guidance.

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[1] A covering memorandum from Lay to the National Security Council dated Sept. 2, reads: "At his request, the attached views of the Chairman, National Security Resources Board, on NSC 135/1 and the Annex thereto are circulated herewith for the information of the National Security Council in connection with Council consideration of NSC 135/1 at its meeting on September 3, 1952."

2. The policy needed is one which will relate the military defense and the passive defense of the U.S. to each other and which also will relate our over-all defenses to the estimated capabilities of the Soviets to attack the U.S. There has been a lack, not corrected by the NSC 135 series, of guidance which would coordinate the nation's passive defense capabilities and its military defense capabilities.

3. As the agencies responsible for nonmilitary defense have developed their programs a basic fact has become increasingly clear. There is very little likelihood that these programs can be made effective, unless through military defenses the destruction from enemy attack can be held down to manageable proportions. This means that the two major elements of the nation's defense structure do not meet. The gap leaves us dangerously vulnerable to the effects of attack.

4. Without effective military defense, passive measures which would significantly reduce the damage resulting from attack are infeasible both from the point of view of cost and time required to make them effective. It is essential to formulate nonmilitary security programs in terms of their relationship to military defensive capabilities. Similarly, military defense must be programmed in light of the recognized limits of passive defenses to deal with attack.

5. The assessment of our position with respect to the USSR, forming the background for this paper and the goals of our programs which are based on the findings of the paper, do not indicate that we now have or that we are projecting military defenses for the United States adequate to deal with Soviet offensive capabilities in the sense above outlined.

6. Paragraph 6c of the Policy Statement recommends that the United States take the necessary measures to "assure ready defensive strength adequate to provide in the event of general war a reasonable initial defense and to ensure reasonable protection to the nation during the period of mobilization for ultimate victory."

7. One of the underlying assumptions of the paper is that in event of war the enemy would endeavor to strike the United States with an initial decisive blow. This can mean only that the initial blow would carry the full force of the enemy's capabilities for strategic attack. No evidence is found indicating that we now possess or that our programs project defenses, military and passive, capable of holding the results of such an enemy attack within manageable proportions.

8. The paper also recommends in paragraph 6d that we round out and maintain the mobilization base. The importance of protecting the mobilization base against covert attack and sabotage is

stressed. However, the necessity to provide military defenses for the base against overt strategic attack is not dealt with.

9. Paragraph 7 states that the United States should develop substantially improved civil defense in light of the capacity of the U.S.S.R. to deliver an atomic or thermo-nuclear attack. This recommendation is made without evaluation of the feasibility of providing adequate civil defense in the presence of inadequate military defense.

10. In raising the problem of guiding nonmilitary security programs, two broader problems are brought into question. They are the over-all adequacies of our defense effort and the balance of that effort as between offensive and defensive capabilities. The Summary and General Conclusions strongly recommend that we not adopt a policy of strengthening our defenses at the expense of projecting our strength outward to the enemy. This recommendation has this Agency's full support. Nevertheless, it is clear that we also must deal realistically with the problem of insuring the people and the economic power of the U.S. against destruction.

11. Underlying the nation's defense policies and programs is the assumption that the free world can create sufficient strength to deter the Soviets from precipitating general war. The present major deterrent is our estimated atomic superiority. Certainly another powerful deterrent would be defenses adequate to make the enemy doubt his ability to gravely cripple the United States.

12. The staff study which underlies the Policy Statement points out with great force that the deterrent effect of our atomic strength is likely to decline over the next few years. This is due to the fact that "the control relationship in the atomic equation appears not to be that of stockpiles to each other, but rather the relationship of one stockpile, plus its deliverability, to the number of key enemy targets, including retaliatory facilities, which must be destroyed in order to warrant an attack."

13. The decline in the deterrent force of our atomic strength underlines the need for strengthening other deterrents, including the ability to blunt the enemy's attack. This, in turn, implies the need for a substantial over-all increase in the national defense effort.

14. The failure of the policy paper to deal adequately with the foregoing problems appears to result from an incomplete evaluation of the following points:

a. It is assumed that the Soviets would attack if they felt capable of dealing the U.S. a decisive initial blow without gravely endangering their own regime. (See appendix, para. 1)

b. Gross superiority of U.S. atomic striking power probably would not deter the Soviets if they felt capable of striking such an initial decisive blow and, hence, atomic superiority in itself soon will cease to be a controlling deterrent to general war.

c. Nuclear weapons have made it possible for the initial attack to be decisive and have greatly enhanced the value of surprise.

d. Since by means short of initiating general war the U.S. cannot prevent the Soviets from building increasing strength for the delivery of a mass-destruction attack, our immediate course must be to offset that increasing strength so clearly as to leave little doubt in the Soviet mind regarding its incapability to strike a decisive blow.

e. The growing Soviet strength can be offset by building defenses that would place the success of an attempted decisive attack in serious doubt and by building a retaliatory striking force clearly capable of penetrating Soviet defenses to strike a blow that would both critically damage the war making capacity of the USSR and gravely threaten the continued existence of the regime.

f. The security of the U.S. can be safeguarded against the danger of surprise decisive attack only by a major national effort to create the *two* foregoing deterrents to Soviet aggression at the earliest possible date and under no circumstances at a date later than the Soviet atomic stockpile reaches the level required for decisive attack in terms of numbers of bombs vs number of U.S. and other free world targets.

15. For the above reasons it is not our view that the NSC 135 series provides adequate guidance in these respects for our national security programs or for the formulation of the F.Y. 1954 Federal Budget. It is our recommendation that the problems before the nation and our defense policies and programs be re-evaluated in light of the foregoing considerations.

Truman Library, Truman papers, PSF-Subject file

Memorandum for the President of Discussion at the 122d Meeting of the National Security Council on Wednesday, September 3, 1952 [1]

[Extract]

TOP SECRET

The following notes contain a summary of the discussion at the 122nd Meeting of the National Security Council, at which you presided. The Vice President was unable to attend the meeting because of his absence from the city.

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[1] Prepared on Sept. 4, presumably by the Secretariat of the NSC. According to the minutes of the meeting, which consist of a list of participants and a brief list of decisions taken, the following members of the Council attended: President Truman (presiding), Acheson, Lovett, Harriman, and Gorrie. Others present at the meeting included Foley, Livermore, Murray, Staats, Keyserling, Wadsworth, General Bradley, Allen Dulles, Commander Clausner, Major Rule, Lay, and Gleason. (Minutes of the 122d Meeting of the NSC, Sept. 3, 1952, Truman Library, Truman papers, PSF-Subject file)

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2. Status of United States Programs for National Security as of June 30, 1952 (NSC 135) [2]

The President stated that consideration of the reappraisal of programs for national security was the order of business for the day's meeting.

After Mr. Lay had noted that there were two reports—one on the status of the programs as of June 30, 1952, and another on reappraisal of United States objectives and strategy—and had explained their background and interrelationship, the President asked if there were any comments on the status report.

Secretary Acheson replied that the first reaction he had to the Council's consideration of the report was that he was scared to death to have so many copies of so vital a document around. He said that he would send back his own copies.

Mr. Lay then explained that the distribution of the status report had been limited as far as possible in agreement with the NSC agencies, and that in most instances certain pages had been deleted from copies distributed to other than Council agencies.

Secretary Lovett strongly supported the anxieties of the Secretary of State, and explained that his security people were very worried about certain portions of the report. He therefore wanted to turn all copies back to the Executive Secretary after the Council had finished its consideration of the report.

The President stated that he was glad to return his own copy, and directed that all other copies should also be turned in to the Executive Secretary.

The President then asked if there were any further comments on the report. There were none.

The National Security Council:

a. Noted the reference report by the Executive Secretary on the subject.

b. Directed that all outstanding copies of NSC 135 be recalled by the Executive Secretary.

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[2] See the editorial note, p. 56.

3. *Reappraisal of United States Objectives and Strategy for National Security* (NSC 135/1 and Annex to NSC 135/1; [3] Memo for NSC from Executive Secretary, subject: "United States Objectives and Programs for National Security", dated June 30, 1952; [4] Memos for NSC from Executive Secretary, subject: "Reappraisal of United States Objectives and Strategy for National Security", dated September 2, 1952 [5])

The President turned to NSC 135/1 and first requested the comments of Secretary Acheson.

Secretary Acheson stated that his comments fell into three categories: First, the substance of what the report recommended; secondly, omissions in the report; and thirdly, the language of the report in general. As for the first category, Secretary Acheson said that he believed that in general NSC 135/1 constituted a reaffirmation of the recommendations previously laid down in the NSC 20, 68 and 114 series. He then proceeded to summarize these various recommendations of NSC 135/1, suggesting that the heart of the paper was in paragraph 9–a, which suggested a re-examination of the various programs which had been set in motion by the three series in question. In general, Secretary Acheson thought that the heart of the present report was sound, but that there were certain difficulties and problems with respect to drafting and wording. The most notable omission, in his view, was on United States economic and trade policy in general, as opposed to policies regarding specific aid to our allies. Secretary Acheson noted that the Department of State and Mr. Harriman's office were already engaged in studies of this problem, and that it was a matter of the utmost importance.

With respect to the recommendations in paragraph 9–a, Secretary Acheson expressed the opinion that the three departments most closely concerned—namely, State, Defense, and Mutual Security—should, in consultation with other agencies, jointly create working groups to consider the re-examination called for in paragraph 9–a, and to come up subsequently with recommendations on the subjects. In Secretary Acheson's opinion this task could be accomplished in not more than five or six weeks if the three agencies in question could feel free to call upon the other member agencies for assistance. He was certain, he added, that the results of such re-examination would be of very great use in consideration of the budget for Fiscal 1954.

Secretary Acheson then enlarged on what he regarded as the most serious omission in NSC 135/1, namely, the absence of any treatment of general United States commercial and economic policy. He did not feel, however, that it was possible to rectify this omission in NSC 135/1, and suggested that instead the subject of economic and trade policy, which was now being intensively studied in the State Department and in the Mutual Security Agency and doubtless elsewhere in the Government, should be the subject of a special and separate report which would outline the facts and possibly provide recommendations for the benefit of the new Administration. In any case, he added, the problem was one of general long-range policy, and NSC 135/1 should do no more than call attention to the existence of these separate studies.

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[3] NSC 135/1 is printed on p. 80; the Annex to NSC 135/1 is printed on p. 89.

[4] *Ante*, p. 54.

[5] See footnote 1, p. 113, and footnote 1, *supra*.

The President then called upon Secretary Lovett for his comments on NSC 135/1.

Secretary Lovett expressed agreement with Secretary Acheson that the general conclusions of the paper were probably useful. It had nevertheless caused considerable concern in the Department of Defense, especially among the three Secretaries, because of the choice of certain kinds of language. As an example he cited paragraph 1, which he felt was too belligerent in tone and made no reference to our national aim to secure a lasting peace. Secretary Lovett even thought that it would be possible to see in this paragraph the connotation of preventive war.

As a second instance of defects in drafting, Secretary Lovett pointed to the wording of paragraph 9-b, on pages 7 and 8, particularly the last sentence. He said it seemed to him to be a very awkward way of stating a truism, and that naturally United States forces should not be committed to combat local aggression if they did not expect a favorable decision. This sentence, said Secretary Lovett, as presently written was "absurd".

Secretary Lovett also took exception to the manner in which paragraph 15, on page 11, had been phrased. The net of the Department of Defense's feeling, said Secretary Lovett, was that the purpose of the report was good but that there was considerable room for improvement in the drafting, and he felt that this latter problem should be referred to the NSC Staff.

Secretary Lovett then turned his attention to the suggestions which had been set forth by the Chairman of the National Security Resources Board in his memorandum to the Council. [6] While Secretary Lovett expressed sympathy for the lack of guidance which NSRB and the other civilian agencies so keenly felt, he said that the type of information and guidance which were requested in Mr. Gorrie's memorandum were for the most part not susceptible to any satisfactory answer. There was no way at present of being sure that it would be possible to give even an hour's warning before an actual attack, nor was it yet possible to estimate exactly what proportion of the attacking aircraft would get through to the target. Thus far we were pretty well compelled to calculate this latter problem on the basis of World War II experience, which indicated that 75% of an armed enemy attack would get through. All this, continued Secretary Lovett, led up to the crucial question of how much money was needed to create something like an absolute defense of the nation's critical target areas. There was no answer to that question either, argued Secretary Lovett, although one could at least say that it would be of a crushing size.

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[6] *Supra.*

The President stated that he had been startled by the briefing on this very problem which he had been given that morning in the Cabinet Room. As far as he could see, said the President, there wasn't very much of a defense in prospect except a vigorous offense.

On this point Secretary Lovett said that he felt that the rate of development of the nation's offensive capacity should be accelerated, but nevertheless he was forced to the conclusion that notwithstanding the best efforts of all the agencies concerned, military and civilian, it was impossible to achieve an accurate foundation and basis on which Civil Defense and other agencies concerned with passive defense could operate with maximum efficiency. It was, in short, impossible to respond to the problem raised by NSRB. The defensive weapon of today was almost always an offensive weapon also.

Mr. Gorrie then inquired whether Secretary Lovett felt that the Government had really exhausted all its capacities to meet the problem of defense which he had raised and described in his memorandum.

Secretary Lovett replied in the negative, but insisted that progress was nevertheless slow and difficult.

Mr. Gorrie then said that it was his conviction that consideration ought to be given now to an extensive new national effort to solve this problem, for which purpose the very best brains available should be requisitioned for a period of anywhere from two to ten years. At the present time, he added, there seemed to him relatively little purpose and point in the formulation of programs of passive defense which were foredoomed to failure in the event that the Soviets attack. In such a case at present there would be no cities left to defend.

In response, Secretary Lovett said that the Defense Department had for the past two years been making use of the nation's best scientists in an effort to deal with the defense problem. In connection with his point, Secretary Lovett invited the Council's attention to the Alsop column in the *Washington Post* calling for two large "Manhattan District" projects. The conclusions which the column reached were, in Secretary Lovett's view, "utter nonsense", and in any case Secretary Lovett expressed the opinion that any such large project as that which Mr. Gorrie advocated should not be permitted to complicate the revision of NSC 135/1.

Mr. Gorrie observed that nevertheless some method should be worked out to enable the civilian and military agencies to work together to better purpose on this problem and to provide the military guidance necessary to the civilian agencies if they were to do an effective job.

Secretary Lovett still doubted whether this belonged in any revision of NSC 135/1, and went on to say that he felt that the nation was in much greater danger from covert attack than it was from overt Soviet attack. What troubled him particularly was "bombs in suitcases".

The President then asked Mr. Harriman for his opinion of NSC 135/1, and Mr. Harriman replied that he found himself in general agreement with the views of the Secretary of State and more particularly with Secretary Acheson's proposal for carrying out the re-examination of the programs recommended in paragraph 9–a.

The President then stated that the Departments of State and Defense and Mr. Harriman's office should get together and work out something on this problem in the near future.

In response to a request for his views, Secretary Foley said that he was extremely pleased with the prospect of a study of economic and fiscal policy going along concurrently with other studies by State, Defense and MSA.

Mr. Wadsworth then asked for permission to give his views, which he stated were in large measure identical with those set forth in Mr. Gorrie's memorandum. Mr. Wadsworth was, he said, especially struck by the imbalance between our national security programs, particularly the heavy weighting on the military as opposed to the civilian side. It was his opinion that the revised report should call attention to this imbalance and advise its correction. This could be rectified in the rewriting of the paper without actually involving any major change in policy. Civil defense, he thought, was rather neglected in the paper as compared to the heavy military emphasis.

Mr. Staats inquired whether the re-examination called for in paragraph 9–a would have the effect of holding up the processing of the Fiscal Year 1954 budget, and was assured that it would not.

Mr. Lay then observed that the Senior NSC Staff had recommended deletion of the last sentence of paragraph 9–a. As he understood it, he said, the re-examination called for in this paragraph would now be accomplished by State, Defense and Mutual Security.

Mr. Harriman suggested, however, that the revised paper include in it a statement to the effect that a re-examination of this country's general financial and economic policy was being undertaken by the appropriate Government agencies as a separate study.

The National Security Council: [7]

a. Discussed NSC 135/1 and referred it to the Senior NSC Staff for revision.

b. Noted that the President directs the Secretaries of State and Defense and the Director for Mutual Security jointly to undertake, in consultation as appropriate with other departments and agencies, the preparation of materials necessary for a re-examination of the amounts and allocations of resources to various areas in terms of kind, quantity, timing and priority, to determine:

(1) Whether a general increase in the level of free world programs and military forces is required to deal with the several threats;

(2) Whether the present allocation of resources as between U.S. military forces and other free world forces is appropriate;

(3) Whether the present balance between military assistance and the various types of economic assistance is appropriate; and

(4) Whether these allocations are in proper relationship to the threats facing the United States in Europe, the Far East, and the Middle East, to the importance of these areas for U.S. security, and to United States commitments.

The materials so prepared, together with any recommendations, are to be submitted to the President, through the National Security Council, prior to January 1, 1953, with a progress report to be submitted by November 15, 1952, if the work has proceeded sufficiently.

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[7] Paragraphs a and b below constitute NSC Action No. 668. (S/S-NSC files, lot 66 D 95, "NSC Records of Action, 1952")

PPS files, lot 64 D 563, "NSC 68 & 114"

Memorandum by the Secretary of State

TOP SECRET [WASHINGTON,] September 3, 1952.

NSC Meeting: Council Action on NSC 135/1 [1]

At the Council meeting this afternoon, the President directed the approval of the recommendations in NSC 135/1 and the creation of an *ad hoc* group composed of State, Defense and DMS to carry out the studies recommended in Paragraph 9(a) of the paper. The paper itself was referred back to the Senior Staff for certain editorial changes and for an addition referred to below.

I left with Mr. Lovett and Mr. Lay copies of the proposed directive which Mr. Lay will go over and issue in due course if upon study Mr. Lovett through Mr. Noyes finds no objection to the wording. I informed Mr. Lay that Mr. Harriman agreed.

In regard to substance, the NSRB view put forward by Mr. Gorrie and answered by Mr. Lovett resulted in no action. [2] Mr. Gorrie became satisfied that everything was being done which could reasonably be expected along the lines of his request. Some of the matters to which Defense will direct the attention of the Senior Staff, as mentioned by Mr. Lovett, were as follows:

Paragraph 1—Reference to the fundamental purpose, as stated in 68, and the three specifications (a), (b) and (c) were criticized because they ought to indicate that a primary objective of U.S. policy was the maintenance of peace.

The next passage mentioned was the last paragraph of 9(b). Mr. Lovett pointed out that the object of the draftsman was commendable but the statement as written seemed somewhat absurd. The last paragraph mentioned by Mr. Lovett was Paragraph 15, which to him carried the connotation that we regretted the inability to fix the date for the opening of the preventive war. Defense may have other suggestions also.

Mr. Wadsworth, representing Civilian Defense, said that he would submit to Mr. Lay some editorial changes in Paragraph 7 which were designed to protect the Civil Defense Administration from the erroneous belief which might be held by the Budget Bureau that their request for funds should be cut even lower than at present. It was agreed that such changes would be made.

Mr. Harriman requested that a paragraph be inserted somewhere to indicate that questions of economic policy were both pressing and intimately related to security matters and that work on these questions was going forward both in the State Department and in DMS, and that together and with the help of other agencies of the Government a paper or series of papers would be prepared outside of the NSC so that the importance of this matter and the ideas of the various agencies would be available at the outset of the new Administration. The President approved of this effort and also approved of the idea that it might be wiser not to attempt to work out a complete governmental recommendation for the next Administration, but a series of papers which would enable the new Administration to go forward with its own program in this respect in the light of the necessities of strengthening the free world through a wise economic policy in the United States.

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[1] See the memorandum for the President of discussion at the 122d meeting of the NSC, Sept. 3, *supra*.

[2] The answer by Lovett under reference cannot be further identified. For the views of Chairman Gorrie of the NSRB, see p. 114.

It developed that some fifty or more copies of the large volume of annexes had been distributed. The President requested that all copies be returned to Mr. Lay, who would reissue them on a "need to know" basis to the agencies particularly concerned with future work ordered.

PPS files, lot 64 D 563, "Review of NSC 68 & 114"

Memorandum by the NSC Staff Member in the Office of the Counselor (Walmsley) to the Secretary of State [1]

TOP SECRET [WASHINGTON,] September 4, 1952.

Subject: Council Action on NSC 135/1, September 3.

With reference to your memorandum on the Council meeting yesterday, [2] I should mention that Mr. Lay did not record the Council action on NSC 135/1 as "approved" by the Council, and that the President's usual directive to the appropriate agencies to implement it will not be issued until further Council consideration. The President's directive with respect to the re-examination and studies is, however, being issued to permit a start.

According to Messrs. Lay's and Gleason's summary minutes of the Council meeting, [3] the objections raised by Mr. Lovett to the paper were illustrative. Whether Defense will propose changes additional to those brought up by Mr. Lovett, and whether the changes to be proposed by Messrs. Harriman, Wadsworth and possibly Gorrie, involve substance, may not be known until the Senior Staff reconvenes Tuesday, September 9. In the case of Defense, I am informed that Mr. Lovett has before him a great many written comments, including some rather biting ones from Messrs. Finletter and Pace who for different reasons object to the main implications of the Policy Statement. Mr. Finletter, of course, does not like perimeter actions while Mr. Pace wants to build up immediately along the Elbe regardless of the outcome of the reexamination.

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[1] Copies to Matthews, Nitze, Perkins, and Thorp.

[2] *Supra.*

[3] The minutes are in the Truman Library, Truman papers, PSF-Subject file.

Thus, it may be that substantive proposals will be made to the Senior Staff which will have to be brought back for examination in the Department; and even if a formal meeting of the Council is not necessary, at least the approval of each member through his respective agency's channels may have to be sought before the paper is circulated with the President's approval.

WALTER N. WALMSLEY

S/S-NSC files, lot 63 D 351, NSC 135 Series

Memorandum by the Executive Secretary of the National Security Council (Lay) to the Secretary of State [1]

TOP SECRET WASHINGTON, September 4, 1952.

Subject: Reappraisal of United States Objectives and Strategy for National Security

References:
  A. NSC Action No. 668 [2]
  B. NSC 135/1 and Annex to NSC 135/1 [3]

Pursuant to the action of the National Security Council at its meeting yesterday, the President has directed you jointly to undertake, in consultation as appropriate with other departments and agencies, the preparation of materials necessary for a re-examination of the amounts and allocations of resources to various areas in terms of kind, quantity, timing and priority, to determine:

a. Whether a general increase in the level of free world programs and military forces is required to deal with the several threats.

b. Whether the present allocation of resources as between U.S. military forces and other free world forces is appropriate.

c. Whether the present balance between military assistance and the various types of economic assistance is appropriate.

d. Whether these allocations are in proper relationship to the threats facing the United States in Europe, the Far East, and the Middle East, to the importance of these areas for U.S. security, and to United States commitments.

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[1] Also sent to the Secretary of Defense and the Director for Mutual Security.

[2] NSC Action No. 668 formalized Presidential approval of the recommendations in NSC 135/1 and related actions. See footnote 7, p. 123.

[3] NSC 135/1 and the Annex thereto are printed on pp. 80 and 89, respectively.

The materials so prepared, together with any recommendations, are to be submitted to the President, through the National Security Council, prior to January 1, 1953, with a progress report to be submitted by November 15, 1952, if the work has proceeded sufficiently.

Arrangements have been made for an initial meeting of the representatives which each of you designated by telephone to constitute a steering group for this project.

JAMES S. LAY, JR.

PPS files, lot 64 D 563, "Review of NSC 68 & 114"

Paper Prepared in the Department of State [1]

TOP SECRET [WASHINGTON,] September 19, 1952.

OUTLINE OF RE-EXAMINATION CALLED FOR BY NSC ACTION 668-b [2]

The basic purpose of the re-examination is to respond to the President's Directive (copy attached). [3] This work should be divided into three parts:

I. An analysis of the broad allocation of our resources under present programs and of our security posture in 1954 and the immediately following period.

II. An indication of additional high-priority programs which would be desirable to undertake to meet the threats which face us, together with an estimate of the resources which would be required within the next few years to carry out these additional programs.

III. An analysis of the possibilities of undertaking the additional programs by a re-allocation of the planned distribution of our resources under present programs, as against the desirability and possibility of increasing the total resources available for meeting our national security programs.

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[1] Undated slips attached to the source text indicate that this paper was sent from Nitze to Acheson for approval. It was subsequently transmitted to Charles P. Noyes and Lovett at the Department of Defense. A covering memorandum by Philip Watts of the Policy Planning Staff to Perkins of EUR and eight other addressees on Sept. 22 reads: "Attached for your information is a revised Outline of Re-examination called for by NSC Action 668b which takes into account changes suggested by officers of the Department as well as Defense and DMS." An earlier draft of this outline, dated Sept. 16 and circulated within the Department of State is in the PPS files, lot 64 D 563, "Review of NSC 68 & 114", along with related papers, comments, and criticisms.

[2] See footnote 7, p. 123.

[3] See the memorandum by Lay, Sept. 4, *supra*.

PART I

AN ANALYSIS OF THE BROAD ALLOCATION OF OUR RESOURCES UNDER PRESENT PROGRAMS AND OF OUR SECURITY POSTURE IN 1954 AND THE IMMEDIATELY FOLLOWING PERIOD

A. GENERAL

The main purpose of this section of the study should be to give a very broad picture of the allocation of the United States and free world resources in terms of the main threats which face the United States and the rest of the free world. In order to be useful this analysis should be in terms of a period far enough ahead so that if changes are desired there is time to make such changes effective, and, at the same time, not so distant that useful conclusions are impossible. It is suggested that calendar year 1954 and the immediately following period might be the best for this purpose.

The first step will be to indicate broadly the resources which are and will be available for allocation. It will be necessary to give a picture of how the security posture of the United States and the free world will develop based on present programs. It will also be necessary to indicate the probable amounts of military, economic and other resources which the United States will make available to its allies.

With respect to the United States military programs, the primary problems will probably be to present a meaningful picture of the improvement in United States capabilities as a result of the acquisition of the new matériel which is now and will be in process of procurement through fiscal 1954; and of the increased capabilities of the United States with respect to the defense of the Western Hemisphere.

It is suggested that we examine the allocation of our resources to meet the threats to our security in the following five areas:

1. Far East (including Southeast Asia)
2. Middle East, South Asia, and Africa
3. Europe
4. Western Hemisphere
5. Offensive striking power and general military reserve

Effort should be made to indicate for each of these areas what resources are being allocated under present programs. This might be done both on an annual and a cumulative basis. The following resources should be covered and should be given both in terms of United States and free world resources:

a. Deployment of Military Forces
b. Military Aid
c. Economic Aid

d. Other Resources—including political and treaty commitments, information programs, covert programs, etc.

For each of the five areas indicated above, it will be necessary to indicate a general estimate of the security posture which will have been attained during 1954 and the immediately following period as a result of our programs. This will mean an estimate of the threats in the area with respect to general war, local aggression or loss by subversion, together with a broad estimate of the free world's ability to meet these threats.

Finally, an effort should be made to draw some general conclusions as to the balance or lack of balance in our programs with respect to these five areas and with respect to the relative risks we are accepting. In other words, is the position we expect to be in during 1954 and the immediately following period a satisfactory one in each area?

B. SPECIFIC

A number of assumptions will have to be made in preparing the above data. Broadly speaking, the assumptions should be on the basis that there is no basic change in the international situation between now and 1954. This would include the assumption that the Korean war continues without major change in scope. Other assumptions will have to be developed as we go along. With regard to the deployment of military forces, some assumption will have to be made as to forces not deployed in a particular area but planned and committed to that area. A distinction will have to be made between such forces and our capability to dispatch elements of a flexible general reserve to areas of our choice.

With respect to the fourth general area, there will be a number of special problems: (1) the allocation of resources to Latin America although small might be segregated; (2) forces allocated for the defense of the Continental United States, including both military and nonmilitary, will have to be segregated.

Part II

An Indication of Additional High-Priority Programs Which Would Be Desirable To Undertake To Meet the Threats Which Face Us, Together With an Estimate of the Resources Which Would Be Required Within the Next Few Years To Carry Out These Additional Programs

The general purpose of Part II should be to indicate certain geographic areas or functional areas which the analysis in Part I indicates need special attention. NSC 135/1 indicates that there is a tentative view that both the Middle East and the Far East merit a larger share of our total resources than they are now receiving. Questions have also been raised as to the adequacy of our programs with respect to the Continental United States defense—both military and non-military—in the face of probable Soviet capabilities. Questions have been raised as to the soundness of the present ratio between our programs of military and economic assistance in Europe. An immediate start should be made on these problems in an effort to put forward a tentative high-priority program for the utilization of a larger amount or different types of resources in these areas than is now contemplated. It will be important to have a realistic estimate of the additional resources which could be utilized to good advantage in these areas, as well as a breakdown of the amount of each type of resource needed. Some indication would have to be given of what such a program could be expected to accomplish in terms of United States and free world security.

PART III

AN ANALYSIS OF THE POSSIBILITIES OF UNDERTAKING THE ADDITIONAL PROGRAMS BY A REALLOCATION OF THE PLANNED DISTRIBUTION OF OUR RESOURCES UNDER PRESENT PROGRAMS, AS AGAINST THE DESIRABILITY AND POSSIBILITY OF INCREASING THE TOTAL RESOURCES AVAILABLE FOR MEETING OUR NATIONAL SECURITY PROGRAMS

There is little that can usefully be suggested with respect to this Part until Parts I and II have gotten well under way. It is clear that conclusions under Part III, the questions put in NSC Action 668 b, and appropriate recommendations will call for the highest order of evaluation and judgment.

TERMS OF REFERENCE, WORKING GROUP ON FAR EAST, NSC 135

1. Estimate of probable effectiveness of present programs (a) in the contingency of indefinite cold war with Chinese Communist military operations continuing in present pattern, (b) in the contingency of Chinese Communist aggression against Southeast Asia or major Chinese Communist offensive in Korea, (c) in case of general war.

2. Estimate of programs which might be calculated (a) to give maximum prospects of success in achieving our objectives in that area in cold war, (b) to give prospects of adequate defense or effective counter action against further Chinese Communist aggressions, (c) to give prospects of successful defense of key areas in general war.

a. *Political programs.*

i. Re securing Japanese contribution to general security.
ii. Re Nationalist China.
iii. Relations with France and Associated States.
iv. Intergovernmental security arrangements.

b. *Military and military assistance programs.*

i. Forces required (under each of three contingencies described in 1 above) and divisions between indigenous, non-US Western, and US.
ii. Nature, magnitude and cost of equipment and maintenance requirements.
iii. Timing.

c. *Scope, cost and timing of economic programs.*

i. Developmental and technical assistance for long range purposes.
ii. Financial and technical assistance for immediate political purposes.
iii. Economic support for military programs.

d. *Information activities.*
e. *Covert activities.*

3. Estimate of relative effectiveness of programs described in 2 above as against present programs.

TERMS OF REFERENCE, WORKING GROUP ON MIDDLE EAST, SOUTH ASIA AND AFRICA, NSC 135

1. Estimate of probable effectiveness of present programs (a) in contingency of indefinite cold war, (b) in case of general war.

2. Estimate of programs which might be calculated (a) to give maximum prospect of achieving our objectives in that area in cold war, (b) to give prospect of successful defense of key areas in general war.

a. *Political programs*

(1) Relations with U.K. and France
(2) Re Israel-Arab relations, etc.
(3) Relations with existing governments vs. new leadership groups
(4) Intergovernmental security arrangements

b. *Military and military assistance programs*

(1) Forces required and division between indigenous and outside (non-U.S., U.S.)
(2) Nature, magnitude, cost and timing of equipment and maintenance requirements

c. *Scope, cost and timing of Economic Programs, Non-U.S. and U.S.*

(1) Development and technical assistance for long range purposes
(2) Financial and technical assistance for immediate political purposes
(3) Economic support for military programs
(4) Regional programs

d. *Information activities*
e. *Covert activities*

3. Estimate of relative effectiveness of programs described in 2, above, as against present programs.

TERMS OF REFERENCE, WORKING GROUP ON EUROPE, NSC 135

1. Estimate of probable effectiveness of present programs (a) in contingency of indefinite cold war, (b) in case of general war. This estimate should reflect:

a. The problem of ratification of EDC and contractuals, the resulting situation if France or Germany fail to ratify;
b. The impact of present programs on politico-economic situation particularly of U.K. and France; and
c. The impact of present programs on U.K. and French capabilities and willingness to continue to carry commitments in other parts of the world.

2. Estimate of possible shifts in amount, allocation or timing of programs (U.S., non-U.S.) which would:

a. Increase prospects of achieving our objectives in the area in cold war
b. Increase capacity and willingness of French and U.K. to carry commitments in other parts of the world
c. Improve prospect of success in contingency of general war

3. Estimate of relative effectiveness of programs described in 2, above, as against present programs.

TERMS OF REFERENCE, WORKING GROUP ON DEFENSE OF WESTERN HEMISPHERE, NSC 135

A. Defense of the U.S. against atomic attack.

1. Estimate of the cost and effectiveness of the U.S. air defense system, in terms of aircraft, radar warning net, anti-aircraft artillery or missiles, and other components, that will become available and operative at various dates under present and projected programs.*

2. Estimate of the cost and effectiveness of U.S. civil defense and other passive defense measures, such as dispersal of industry and

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* The effectiveness and timing of the Canadian contribution must also be taken into account. [Footnote in the source text.]

provision for the continuity of governmental functions, etc., at various dates under present and projected programs.

B. Defense of the U.S. against sabotage.

1. Estimate of U.S. capabilities to provide security against threats arising from within the United States, at various dates under present and projected programs.

C. Defense of South and Central America.

1. Estimate of the effectiveness of present programs in Latin America (both U.S. and non-U.S.) to maintain stability and prevent the development of serious threats to U.S. (a) in the contingency of indefinite cold war, (b) in the event of general war.

D. Estimates of what might be done to increase the capabilities determined pursuant to A, B, and C above, taking into account cost, feasibility, timing and effectiveness.

TERMS OF REFERENCE, WORKING GROUP ON OFFENSIVE STRIKING POWER AND GENERAL MILITARY RESERVE, NSC 135

A. Offensive Striking Power.

1. Estimate of the cost of U.S. resources including weapons, bases, aircraft, ships and other appropriate elements, which are assigned, or will under present and projected programs be assigned, the primary mission of delivering an atomic offensive against the Soviet Union in the event of war.

2. Estimate of the capability of the forces described above to deliver the atomic offensive against the Soviet Union, at various dates under present and projected programs.

3. Estimate of U.S. forces assigned other missions, which could be rapidly diverted to the mission of delivering the atomic offensive in the event of need and their capability to assist in carrying out the atomic offensive.

B. General Reserve.

1. Estimate of the size and composition of U.S. military forces located in the United States which are not assigned the mission of defending the continental United States and which therefore constitute a general reserve capable of deployment to areas of our choosing (a) in the cold war and (b) in the event of general war. Indicate the size and composition of these forces at various times under present and projected programs.

2. Estimate of the effectiveness of this general reserve, at various dates under present and projected programs, (a) as a deterrent to general war, (b) as a deterrent to local aggression, (c) as a counter to local aggression or subversion (viz. Iran), (d) as an immediate re-

inforcement for forces initially committed against the enemy, in the event of general war.

C. Estimate of what might be done to increase the capabilities determined pursuant to A and B above, taking into account cost, feasibility, timing and effectiveness.

S/S-NSC files, lot 66 D 148, "Misc. NSC Memos"

Memorandum by the Counselor (Bohlen) to the Secretary of State

TOP SECRET WASHINGTON, September 22, 1952.

MR. SECRETARY: The only item for consideration by the NSC, Wednesday, September 24 is Item 2 "Reappraisal of United States Objectives and Strategy for National Security", NSC 135/2, which is before the Council for final approval. [1] You will recall that at the last Council session, Secretary Lovett desired several changes and additions to be made in this paper. [2] At a Senior Staff meeting, Defense presented detailed and extensive revisions in the Statement of Policy. It is our understanding that most of these revisions were proposed not to reflect any substantive differences with the previous draft on the part of the Department of Defense, but rather to pacify the Joint Secretaries who were unhappy with some of the wording of 135/1.

Only the Statement of Policy has been changed since you last read the paper. These changes are underlined in red in the copy in your book. One policy question is involved in acceptance of the paper as it now stands. This concerns Paragraph 9b (page 8).

In the earlier paper this paragraph read:

"b. Be increasingly willing to commit military forces or material, as appropriate and in cooperation with its allies, in support of its objectives in specific geographic areas, and to this end include in the reexamination under paragraph 9a above the necessary study of requirements and capabilities. At the same time the United States should encourage and as appropriate assist in the development of indigenous forces and regional defense arrangements capable of bearing an increasing share of responsibility for resisting local communist aggression. When U.S. forces are committed to combat a local aggression, the action should whenever possible be of sufficient strength and scope to effect a decision favorable to the United States."

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[1] Pursuant to NSC Action No. 668-a (see footnote 7, p. 123) various appropriate agencies had submitted to the NSC Senior Staff Assistants revisions of the undated draft Statement of Policy proposed by the NSC and printed as the enclosure to NSC 135/1 of Aug. 15, 1952, p. 81. The Senior Staff Assistants issued their own revised draft Statement of Policy on Sept. 11, and it was circulated by Lay on Sept. 16 as NSC 135/2. Documentation on the agency and Senior Staff revisions of NSC 135/1 and the text of NSC 135/2 are in PPS files, lot 64 D 563, "Review of NSC 68 & 114."

[2] See the memorandum by Walmsley, Sept. 4, p. 125.

The present paragraph reads:

"b. Encourage and as appropriate assist in the development of indigenous forces and regional defense and collective security arrangements capable of sharing responsibility for resisting local communist aggression. At the same time the United States should be increasingly willing, in support of its security objectives in key geographical areas, to use its resources, as appropriate in cooperation with its allies, and to take collective military action against aggression. To this end, the reexamination called for under subparagraph a above should include the necessary study of requirements, capabilities and appropriate arrangements. Any decision to use United States forces would, of course, be made at the time in the light of the prevailing circumstances."

The revised paragraph appears to be a considerable watering down of the earlier wording "to commit military forces". In addition, it emphasizes "collective military action" and limits promised action to supporting "security objectives". In effect, revised wording goes no further than existing policy. However, Mr. Nitze and I recommend that that you accept the revised language.

Paragraph 11 on economic measures and international trade policy studies is acceptable to Mr. Thorp.

The new wording in Paragraph 14 on mobilization policy is Defense language and is acceptable.

Paragraph 1 now includes the reference to peace and the UN. Reluctantly, the Defense representative on the Senior Staff agreed to drop its proposed rewriting of the fundamental objectives of the U.S. and Mr. Lovett will be satisfied, we hope, with this language.

Civil Defense is apparently satisfied with Paragraph 7 as revised.

NSRB will propose no further changes but has already informed the Senior Staff of a forthcoming paper dealing with the relationship between passive defense and military defense programs.

[Here follows discussion of another item on the National Security Council agenda.]

CHARLES E. BOHLEN

Truman Library, Truman papers, PSF-Subject file

Memorandum for the President of Discussion at the 123d Meeting of the National Security Council on Wednesday, September 24, 1952 [1]

[Extract]

TOP SECRET

The following notes contain a summary of the discussion at the 123rd Meeting of the National Security Council, at which you presided. The Vice President was unable to attend the meeting because of his absence from the city.

. . . .

2. Reappraisal of United States Objectives and Strategy for National Security (NSC 135/2; [2] Annex to NSC 135/1; [3] Memo for NSC from Executive Secretary, same subject, dated September 23, 1952; [4] NSC Action No. 668 [5])

At the conclusion of the briefing on the situation in the Far East, The President turned to NSC 135/2 and Mr. Lay explained that the present report constituted a redraft of the paper which had been considered by the Council at an earlier meeting. The President referred to the recommendations of the Senior Staff for a revision of the present paper and then called upon Secretary Acheson for his opinion.

Secretary Acheson stated that in its present form and with the additional sentence recommended by the Senior Staff he found the paper entirely satisfactory. He did, however, desire to comment on the reasons for the additional sentence. This was, he said, in the nature of a caveat in that the areas in point were Southeast Asia and the Middle East. These were areas in which it had proved very difficult to provide for any satisfactory collective security arrangements. It was therefore necessary that the policy in NSC 135/2 make it very clear that the United States did not intend to confine its role in defense against aggression to areas which already had satisfactory collective security arrangments. It was also necessary to point out, continued Secretary Acheson, that the influence of the United States is far more important in these areas than it had even been before owing to the decline of British and French prestige and power.

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[1] Prepared on Sept. 25, presumably by the Secretariat of the NSC. According to the minutes of the meeting, which consist of a list of participants and a brief list of decisions taken, the following members of the Council attended: President Truman, presiding, Acheson, Foster, Harriman, and Gorrie. Others present at the meeting included Foley, Fowler, Sawyer, Murray, Lawton, Keyserling, Wadsworth, General Bradley, Walter B. Smith, Major Turk, Commander Clausner, Lay, and Gleason. (Minutes of the 123d meeting of the NSC, Sept. 24, 1952, Truman Library, Truman papers, PSF-Subject file)

[2] See footnote 1, *supra.*

[3] Dated Aug. 22, p. 89.

[4] See footnote 4, p. 143.

[5] See footnote 7, p. 123.

The President stated that he understood Secretary Acheson's concern and added that it was extremely difficult to get the American people to realize the increased size of our responsibility in such areas. The President then asked Secretary Foster for his views.

Secretary Foster replied that he found the draft of the present report satisfactory and concurred in the suggestion of Secretary Acheson that the word "over-all" be deleted from the proposed additional paragraph.

After The President had inquired whether any other members of the Council desired to comment on the report. Mr. Fowler stated that he would like to speak briefly on two points in the report, largely in terms of information and emphasis of statements made in the report. These related to the statements in paragraphs 9–a and 16–a with respect to the level of resources allocated to the national security programs in general and to the capacity of the economy to accelerate the production of certain selected military end items. He added that he had at hand a somewhat lengthy memorandum on these points which he would transmit to the Executive Secretary for circulation to the Council members. Meanwhile, however, he desired to emphasize that analyses of the materials situation and allied problems recently completed in the Office of Defense Mobilization afforded clear evidence that certain of the national security programs could be rapidly accelerated in the latter half of Calendar 1953 and Calendar 1954 if it was deemed desirable to do so. Mr. Fowler stated that it was no longer necessary to make the difficult choice between production of end items and the expansion of the mobilization base in many categories of key weapons. In fact, so much progress had been made in the last year in solving this problem that we are now confronted by a new choice of alternatives. We can, if we desire, continue to adhere to the stretched out schedule which, until recently, we have felt obliged to follow or we can now take advantage of the solution of many earlier problems and accelerate production very sharply. In other words, we no longer need to adhere to the stretched out schedules for many selected items. This is certainly feasible, but it was largely up to the Defense Department to determine whether it was actually desirable to attain our original objectives at a much earlier date. Mr. Fowler also pointed out that the analyses from which he was quoting also meant good news for the stockpile program, as also for non-military, as well as military aid to our Allies. Furthermore, Mr. Fowler said, it was the conviction of the Stabilization people that the hypothetical acceleration which he was describing could be handled in such a way as not unduly to disturb the stabilization program or to induce severe inflationary pressures beyond those already in existence. In conclusion, however, Mr. Fowler warned of the importance of timing and indicated that we must be informed well in advance if the desired acceleration was to be undertaken.

At the conclusion of Mr. Fowler's remarks, The President stated that if he heard no objection the paper stood approved by the Council.

The National Security Council: [6]

a. Adopted the statement of policy contained in NSC 135/2 subject to the addition of the following sentence after the second sentence of subparagraph 9-b on page 8:

> "This is not intended to preclude the possibility of the use of our military forces unilaterally when under the particular circumstances it is in our best interests to do so."

b. Noted the remarks of the Director of Defense Mobilization with respect to the favorable outlook for the acceleration of production of certain selected items in the national security programs.

Note: NSC 135/2, as amended, subsequently submitted to the President for consideration. The statement by the Director of Defense Mobilization referred to in b above subsequently circulated to the Council for information.

3. Possibility of an Improved Continental Early Warning System

The President then turned to Mr. Gorrie and said that he understood he had a paper which he desired to present to the Council. [7]

Mr. Gorrie replied in the affirmative and said that he had brought up his problem at the previous Council meeting but felt that it was so urgent that he must state his case once again. After referring to the chronic inability of his own agency and others, such as Civil Defense, to get adequate guidance for the formulation of workable passive defense programs, Mr. Gorrie informed the Council that he had recently talked at some length with individuals who were engaged in projects such as the East River Project. [8] Many of these scientists and technicians had changed their minds and abandoned their previous pessimistic estimates about the possibility of developing a more adequate early warning system for the defense of the Continental United States. He therefore desired to reopen the problem which he had discussed at the previous meeting of the Council and to pass out copies of a memorandum setting forth these new possibilities.

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[6] Paragraphs a and b below constitute NSC Action No. 672. (S/S–NSC files, lot 66 D 95, "NSC Records of Action, 1952")

[7] Printed as the attachment to the memorandum by the Secretary of State, *infra.*

[8] Regarding the East River Project, see footnote 2, p. 20.

Mr. Gorrie noted that the original costs of providing a more adequate early warning system were now thought to be much less than had originally been estimated and cited figures to indicate the reduction. Mr. Gorrie then noted the urgency of the problem and the importance of time. If we continue with conventional methods it will take many years to develop a reasonable early warning program, but if given preferred treatment and taking advantage of new technological discoveries this task might be accomplished in two or three years.

The President stated that he thought the subject of Mr. Gorrie's remarks, and of his memorandum, was of the greatest importance. He said he had not intended that it should be a specific subject for consideration at this meeting but that he was anxious for all around the table to give it careful attention before the Budget for the next Fiscal Year had been firmed up.

Secretary Foster stated that he feared that Mr. Gorrie's figures for the cost of building a reasonable early warning system were a little optimistic. It looked to him, said Secretary Foster, like a major job, in terms of cost, to provide a system which would assure three to six hours of warning in advance of an attack.

After further comment The President stated his desire that a survey be undertaken to see what could and should be done in this field.

The National Security Council: [9]

a. Noted a statement by the Chairman, National Security Resources Board, regarding recent technological developments indicating the possibility of an improved early warning system for military and passive defense of the Continental United States, and the urgency of taking immediate steps in this field.

b. Noted the President's desire that an urgent survey be made by the Department of Defense of the feasibility and cost of such an improved continental early warning system.

Note: The President's action in b above subsequently transmitted to the Secretary of Defense for appropriate implementation.

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[9] Paragraphs a and b below constitute NSC Action No. 673. (S/S-NSC files, lot 66 D 95, "NSC Records of Action, 1952")

S/S–NSC files, lot 63 D 351, NSC 135 Series

Memorandum by the Secretary of State

TOP SECRET WASHINGTON, September 24, 1952.

At the NSC meeting this afternoon[1] NSC 135/2 was approved with the amendment to paragraph 9b recommended by the Senior Staff. I made the statement regarding 9b which was suggested at this afternoon's briefing and this was received with apparent approval by all.

In connection with the meeting, two matters were brought up of some importance.

1. Joe Fowler made a statement bearing on paragraph 9a and paragraph 16a. He says that he has a report available bearing on this matter which would be accessible to those making the reexamination called for by 135/2. The report, as I understand it, is to the effect that the work on the expansion of our mobilization base has now proceeded so far that it is possible to have a very considerable increase in the production of various end items without adding to our inflationary troubles or interfering with civilian demand. This production might take the form of military end items of certain sorts which did not require redesigning of plant or tools. It might also take the form of exports of producers goods should these be needed in connection with foreign aid or foreign investment. He thinks that acceleration could show results, if it were approved immediately, by the middle of 1953. This is a matter which I think Mr. Nitze will wish to look into.

2. Jack Gorrie distributed the attached paper. After having the paper read, the President said that he was not suggesting any action on it at the present time. He thought that members of the Council might wish separately or together to discuss the matter with Gorrie and to have all documents in his possession which substantiated his position. Here again is a matter which I think will require investigation. The President contemplates the possibility of a later discussion and possible action in regard to allocating funds. The Acting Secretary of Defense put in a caveat that this was a much disputed field; that he thought the costs would be vastly in excess of those suggested in the paper, and that the scientific developments were disputed by other scientists of equal repute.

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[1] See the memorandum for the President of discussion at the 123d meeting of the NSC, *supra*.

[Attachment]

Paper Distributed by the Chairman of the National Security Resources Board (Gorrie) at the Meeting of the National Security Council, September 24, 1952

TOP SECRET [WASHINGTON, undated.]

In connection with the Council's consideration of NSC 135/1, I submitted a written statement of my views regarding the need for more adequate policy guidance as a basis on which to plan the Nation's passive defense programs. [2]

Unless an effective military defense of the continental United States can be developed, it is impossible to provide meaningful policy guidance to civil defense regarding shelter or evacuation programs for civilians, and for the protection and continuity of war industry.

In raising the question of the adequacy of military defense programs, it is again made clear that this does not suggest improving military defense at the expense of programs that project our strength outward toward the enemy. The question is that of adequacy and relationship of our combined defense programs.

An effective early warning system is important to both the protective military and passive defense of the continental United States. NSC 135/1 points out that in their growing atomic strength, the Soviets are creating a capability for critical attack on the United States.

Data provided by scientists and engineers associated with projects Lincoln, Charles, Hartwell, and East River and with the Rand Corporation, indicate that recent technological developments now make it possible to control the advantage of surprise by providing effective early warning. Furthermore, we are advised that the cost of such a warning system would be a nominal fraction of current military outlays; its manpower requirements would be small. It can be operational within two to three years if undertaken now, according to experts who have been studying this problem.

The scientists who supply this information emphasize that, as recently as two years ago, they held the view that effective early warning was infeasible. Technological break throughs, which promise a solution to the problem, have occurred only in recent months.

They recommend that $100 million be provided immediately for expediting the further development and initial installation of a new continental early warning system which incorporates these technological improvements. They estimate that in order to complete the full warning system in depth, an additional $250 million per annum may be required for each of the following three to four years.

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[2] *Ante*, p. 114.

Early warning of three to six hours is now possible, according to scientists who say this would make defense in depth feasible. It is only with the assurance of early warning and defense in depth that an adequate program of civil defense, the evacuation or shelter of civilians and the protection of war industry can be planned.

It is understood that the Department of Defense now has these problems under study. However, the purpose of this memorandum is to urge the *immediate* allocation of funds sufficient to initiate this program as a matter of utmost urgency and with the highest priority.[3]

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[3] On Sept. 29, Nitze and Carlton Savage of the Policy Planning Staff met with officials of the National Security Resources Board at the Old State Building where the Gorrie memorandum was further reviewed and "Mr. Nitze expressed tentative concurrence in the position taken in the NSRB paper." It was the sense of the meeting that the Department of Defense would prepare "a presentation of the case for approval by the President, direct or through the NSC" and that, because of the importance of the subject to the Department of State, "it was understood that State should see the presentation before it goes to the President" upon his return to Washington on Oct. 13. A handwritten notation on the memorandum of this meeting notes the extreme displeasure of the Department of Defense "to Gorrie having taken this directly to Pres without having consulted them. Serious—critical—decisive Technical problem". (Memorandum by Carlton Savage, Sept. 29, PPS files, lot 64 D 563, "Natl Sec (Civil Defense)")

S/S-NSC files, lot 63 D 351, NSC 135 Series

Report to the National Security Council by the Executive Secretary (Lay)[1]

TOP SECRET
NSC 135/3

WASHINGTON, September 25, 1952.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON REAPPRAISAL OF UNITED STATES OBJECTIVES AND STRATEGY FOR NATIONAL SECURITY

References:

A. NSC Action Nos. 575, 668 and 672[2]

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[1] Copies to the Secretaries of the Treasury and Commerce, the Attorney General, the Director of Defense Mobilization, the Director of the Bureau of the Budget, the Chairman of the Council of Economic Advisers, and the Federal Civil Defense Administrator.

[2] Information on NSC Action No. 575 is in footnote 1, p. 5. Regarding NSC Action No. 668, see footnote 7, p. 123. Regarding NSC Action No. 672, see footnote 6, p. 138.

B. NSC 135/2 and Annex to NSC 135/1[3]

C. Memo for NSC from Executive Secretary, same subject, dated September 23, 1952[4]

D. Memo for NSC from Executive Secretary, subject, "United States Objectives and Programs for National Security", dated June 30, 1952[5]

E. NSC 20, NSC 68 and NSC 114 Series

At the 123rd Council meeting, with the President presiding, the National Security Council, the Acting Secretary of the Treasury, Mr. Murray for the Attorney General, the Secretary of Commerce, the Director of Defense Mobilization, the Director, Bureau of the Budget, the Chairman, Council of Economic Advisers and the Acting Federal Civil Defense Administrator adopted the statement of policy contained in NSC 135/2 subject to the addition of the following sentence after the second sentence of subparagraph 9-b on page 8 (NSC Action No. 672):

"(This is not intended to preclude the possibility of the use of our military forces unilaterally when under the particular circumstances it is in our best interests to do so.)"

In adopting NSC 135/2, as amended, the Council also noted the remarks of the Director of Defense Mobilization with respect to the favorable outlook for the acceleration of production of certain selected items in the national security programs. The statement by the Director of Defense Mobilization will be circulated separately for the information of the Council.[6]

The report, as amended and adopted, was subsequently submitted to the President for consideration. The President has this date approved the statement of policy contained in NSC 135/2, as amended and enclosed herewith, as a reappraisal of United States objectives and strategy for national security and directs its use as a guide by all appropriate executive departments and agencies of the U.S. Government. Also enclosed is an Appendix containing a "Summary and General Conclusions", resulting from the NSC Staff's reappraisal of U.S. objectives and strategy for national security which served as the basis of the enclosed statement of policy.

Special security precautions are requested in the handling of the enclosure.

JAMES S. LAY, JR.

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[3] Regarding NSC 135/2, see footnote 1, p. 134. The Annex to NSC 135/1 of Aug. 22 is printed on p. 89.

[4] Not printed; it transmitted to the National Security Council several recommended revisions to NSC 135/2 proposed by the Senior Staff. (PPS files, lot 64 D 563, "Review of NSC 68 & 114")

[5] *Ante*, p. 54.

[6] The undated statement is printed on p. 156.

[Enclosure]

Statement of Policy by the National Security Council

TOP SECRET [WASHINGTON, undated.]

REAPPRAISAL OF UNITED STATES OBJECTIVES AND STRATEGY FOR NATIONAL SECURITY

General

1. Reappraisal of United States objectives and strategy for national security reaffirms the basic purposes and policies of the NSC 20, 68 and 114 Series. The fundamental purpose of the United States remains as stated in NSC 68: to assure the integrity and vitality of our free society founded upon the dignity and worth of the individual, while promoting peace and order among nations in a system based on freedom and justice as contemplated in the Charter of the United Nations. Pursuit of this fundamental purpose should continue to be through that general policy which seeks:

a. To develop throughout the world positive appeals superior to those of communism.
b. To block further expansion of Soviet power even at grave risk of general war.
c. Without deliberately incurring grave risk of general war, to induce a retraction of the Kremlin's control and influence, and so to foster the seeds of destruction within the Soviet system that the Soviet bloc is brought at least to the point of modifying its behavior to conform to generally accepted international standards.

2. We continue to believe that the free world with its superior resources should be able to build and maintain, for whatever length of time proves to be necessary, such strength that the Soviet orbit will be unable to make significant advances in expanding its power, either geographically or politically. Moreover if the free world develops such strength, the internal conflicts of the Soviet totalitarian system should, with positive effort from us, subsequently cause a retraction of Soviet power and influence and eventually cause that system gradually to weaken and decay, although no time limit can be established by which these objectives will be achieved.

3. Although no fundamental departures from the conclusions of the NSC 20 and 68 Series are required, it is essential that we take into account certain factors that have developed or acquired new significance since the adoption of these reports:

a. The United States and its major allies have responded to the perilous situation of 1950; they have responded collectively to the attack upon South Korea; they are improving the security position in Western Europe and in the Pacific; they, and particularly the United States, have significantly improved their readiness for war. These efforts, though not yet complete, have already reenforced the deterrents to general war and reaffirmed the reasoning of NSC 68 by which both preventive war and isolation were rejected as courses of action.

b. There has also been a substantial further development of Soviet orbit strength since 1950. Modernization and expansion programs in the Soviet, satellite, and Chinese Communist armed forces are proceeding, supported by a rapidly growing economic and industrial capacity and by a high level of scientific and technical capability in selected fields of vital military importance. As a result of the developing atomic and possible thermonuclear capability of the USSR, the vulnerability of the United States to direct attack, which is now serious, will in a few years probably assume critical proportions. On the other hand, the USSR has been seriously vulnerable for some time and will also probably become critically vulnerable to our own developing atomic and possible thermonuclear capability.

c. Although there is continuing danger of general war, the most immediate danger facing the United States is that a progressive and cumulative loss of positions of importance to the United States (either as a result of deterioration within the free nations or of communist cold war actions or a process involving both) could eventually reduce the United States, short of general war, to an isolated and critically vulnerable position.

4. In the light of these concurrent developments, it must remain the immediate and, we believe, attainable objective of the free world to develop and sustain for as long as may be necessary such over-all strength as will (a) continuously confront the Kremlin with the prospect that a Soviet attack would result in serious risk to the Soviet regime, and thus maximize the chance that general war will be indefinitely deterred, (b) provide the basis for winning a general war should it occur, (c) reduce the opportunities for local Soviet or satellite aggression and political warfare, (d) provide an effective counter to local aggression, if it occurs, in key peripheral areas, and (e) permit the exploitation of rifts between the USSR and other communist states and between the satellite regimes and the peoples they are oppressing. The United States should accordingly pursue with determination and constancy, and in keeping with the threat, the courses of action set forth in the following paragraphs.

Deterrent to General War

5. The United States should develop and maintain, in cooperation with its allies, a position of strength, flexibility and depth adequate to deter the Soviets from deliberately initiating general war and to discourage them from pursuing courses of action involving grave risk of general war.

6. To achieve such a deterrent, the United States should take the necessary measures to:

a. Develop the political unity of and encourage the growth of strength and determination in the free world so as to minimize the likelihood that the Soviets would believe they could undertake local aggression without serious risk of war.

b. Develop and retain, under all foreseeable conditions, the capability to inflict massive damage on the Soviet war-making capacity.

c. Assure ready defensive strength, both military and non-military, adequate to provide in the event of general war a reasonable initial defense and to ensure reasonable protection to the nation during the period of mobilization for ultimate victory.

d. Round out and maintain the mobilization base, both military and industrial, in the United States at a level which in the event of need will enable us to expand rapidly to full mobilization; and, consistent with the maintenance of a vital and democratic society, provide the means for protecting the mobilization base against covert attack and sabotage.

7. In the light of the capacity of the USSR to deliver an atomic and possible thermonuclear attack, the United States should develop a substantially improved civil defense as an essential part of the total national security program in order to (a) provide reasonable protection for the American people and maintain their morale, thereby enhancing the freedom of action of the U.S. Government, and (b) minimize damage to war production plants and facilities and increase the capability of the country's economy to recover. At the same time the American people should recognize their vital role in the total program of national security, and be prepared to accept and live with a substantial degree of vulnerability in fulfilling that role.

Areas Outside the Soviet Orbit

8. A preliminary study of problems in the areas outside the Soviet orbit brings out some major causes of concern which indicate the need for a restudy and possible change of emphasis and redirection of certain of our efforts with respect to those areas. These causes of concern are the following:

a. Our major European allies, particularly the United Kingdom and France, may not have the political and economic capacity (a) to make a fully adequate contribution to the forces of NATO and (b) to support their existing responsibilities outside of Europe.

b. Present indigenous political and military strength in areas on the periphery of the Soviet orbit, even when reinforced by the readily deployable reserve strength of the United States and its allies, is insufficient to permit us to escape from the possibility of having to accept, in the face of local aggression, either the eventual further expansion of Soviet power, inconclusive local counteraction, or general war.

c. Serious internal instability in many areas, caused in varying degrees by the activities of indigenous communist parties, rabid nationalism, economic and political backwardness, and defeatist neutralism, and stimulated by aggressive Soviet and satellite propaganda directed chiefly against the United States, threatens to create conditions where communist influence and control may be extended without Soviet aggression unless effective counter measures are taken.

9. In the light of the above, the United States should:

a. Reexamine the amounts and allocations of resources to various areas in terms of kind, quantity, timing and priority, to determine (1) whether a general increase in the level of free world programs and military forces is required to deal with the several threats; (2) whether the present allocation of resources as between U.S. military forces and other free world forces is appropriate; (3) whether the present balance between military assistance and the various types of economic assistance is appropriate; and (4) whether these allocations are in proper relationship to the threats facing the United States in Europe, the Far East and the Middle East, to the importance of these areas for U.S. security, and to United States commitments.

b. Encourage and as appropriate assist in the development of indigenous forces and regional defense and collective security arrangements capable of sharing responsibility for resisting local communist aggression. At the same time the United States should be increasingly willing, in support of its security objectives in key geographical areas, to use its resources, as appropriate in cooperation with its allies, and to take collective military action against aggression. (This is not intended to preclude the possibility of the use of our military forces unilaterally when under the particular circumstances it is in our best interests to do so.) To this end, the reexamination called for under sub-paragraph a above should include the necessary study of requirements, capabilities and appropriate arrangements. Any decision to use United States forces would, of course, be made at the time in the light of the prevailing circumstances.

c. Increase its efforts to promote internal stability in critical areas outside the Soviet orbit. Here the United States should conduct, with greater vigor, political warfare operations as an integral part of its over-all strategy, in order to reduce communist and neutralist influence, combat anti-American propaganda, and create stronger support for the purposes of United States foreign policy. Particular emphasis should be placed on measures directed against the effectiveness of local communist parties.

Areas Within the Soviet Orbit

10. Where operations can be conducted on terms which may result in a relative decrease in Soviet power without involving unacceptable risks, the United States should pursue and as practicable intensify positive political, economic, propaganda, and paramilitary operations against the Soviet orbit, particularly those op-

erations designed to weaken Kremlin control over the satellites and the military potential of the Soviet system. However, we should not over-estimate the effectiveness of the activities we can pursue within the Soviet orbit, and should proceed with a careful weighing of the risks against the possible gains in pressing upon what the Kremlin probably regards as its vital interests.

Economic Measures

11. The United States should:

a. Utilize its economic power as feasible to facilitate the growth of strength, stability and unity in the free world. United States international economic policies, including trade policy, the promotion of raw material development and supplies, the stimulation of investment abroad, and financial relations among the nations of the free world should, where necessary, be adjusted to make sure that they contribute to the greatest possible extent to the achievement of our security objectives. In this connection, relevant studies already under way should be utilized. The provision of economic and technical assistance should be coordinated with these policies so that, in operation, the several elements of our strength will be mutually supporting. Such assistance should also be closely related to military and political policies and aid should be allocated in the light of the reexamination specified in paragraph 9-a above.

b. Be prepared to utilize its economic resources to forestall, or if necessary to resolve favorably, political crises which pose a threat to U.S. security interests.

Public Support

12. The United States should undertake systematically and consistently a program of clarifying to the American public and to other peoples of the free world the complex problems of the free world in meeting the Soviet threat, the nature of that threat, the strength and resources the free world possesses to meet that threat, and to the extent possible the reasoning behind the general lines of policy and action described herein, in order to secure that public understanding and support which is essential to the success of our policies and actions.

Negotiation

13. The United States, in cooperation with its allies, should develop a sound negotiating position in any question or dispute involving the USSR and should be prepared to enter into negotiations with the Soviet Union if they offer promise of achieving acceptable *modus vivendi*, or if, for other reasons, they appear to be desirable. On the other hand we should recognize that only enforceable agreements are meaningful and that the major contributions of negotiation in the foreseeable future may be to convince the

world of the validity and sincerity of our position and to serve as a political warfare weapon.

Mobilization Policy

14. The United States should continue to pursue a policy of limited mobilization designed to develop and maintain a favorable power position sufficient to support the security objectives and strategy of the United States without resort to an armament effort so large as to disrupt the economies of the free nations. In view of the fact that our mobilization effort must meet a situation in which general war might be forced on us at any time, or might be avoided indefinitely, it should be designed concurrently to:

a. Develop forces and matériel adequate to attain the objectives set forth in paragraph 4 and which can be maintained for so long as may be required.
b. Enable the military forces of the U.S. and our allies to achieve a high state of readiness as soon as feasible.
c. Support the expansion of our basic industrial potential concurrently with an expansion of essential armament capacity.
d. Achieve a high level of production of long lead-time military items as soon as feasible.
e. Maintain a broad base of production for military end products and keep these production lines active over as long a period as feasible.
f. Safeguard and increase the economic and fiscal strength of the nation as the essential foundation upon which an indefinitely sustained military program must rest.

13. The adequacy of currently projected mobilization goals is a question separate from that of the soundness of the concept of limited mobilization. Appraisal of the present goals must be accomplished on a continuing basis as the various programs are fulfilled and in light of changes in the world situation. The rapid growth of the Soviet atomic capability, the prospect for our continued heavy commitment in Korea, the serious threat to Southeast Asia, the danger of further deterioration of the situations in Iran and Egypt, the grave implications of further Soviet efforts to force the Western powers out of Berlin—all of these portents underline the risks involved in the projected rates of delivery and in adhering to presently programmed force levels.

16. Recognizing the above risks and objectives in the light of the situation facing us, and recognizing that acceleration and upward adjustment of our national security programs as a whole, if necessary, are well within our capacity and can be accomplished without serious adverse effects on the U.S. economy, the United States should:

a. Assure the acceleration of the production of selected military end items under present programs.

b. Place continued high emphasis upon selected scientific and technical programs in fields of military application.

c. Make such adjustments in our national security programs as may be found necessary and feasible in the light of the reexamination called for in paragraph 9 above.

Appendix

REAPPRAISAL OF UNITED STATES OBJECTIVES AND STRATEGY FOR NATIONAL SECURITY

SUMMARY AND GENERAL CONCLUSIONS

1. If the Soviet rulers should attain, in their judgment, the capability of defeating the United States or of so reducing its power potential as to render it permanently incapable of effectively challenging Soviet power and if they should come to believe that such action would not involve serious risk to the maintenance of their regime, they would probably deliberately initiate general war.

2. The Soviets might attack the West if they were convinced as a matter of fact, rather than theory, than an attack by the West was actually imminent.

3. Nor can it be excluded that if in the eyes of the Soviet leaders developments in the power balance appeared directly and imminently to threaten the security of the Soviet Union or areas under its control, they might feel compelled to force certain outstanding issues in such a way that the result might well be the outbreak of war without any deliberate intention on the part of the Soviet Union to bring about such an event.

4. War could come from communist action based on initial Soviet miscalculation of the free world's interest in and reaction to the situation in some particular area.

5. War could come from a deadlocked situation in which basic interests of both parties are involved with an act of one side setting off an unwinding chain of action and reaction which neither side would be able fully to control.

6. In the absence of general war, the Soviet leadership will probably continue a pushing and probing exploitation of all weaknesses in the free world. This means that the Soviets can be expected to continue their efforts to consolidate and expand their influence in Asia; undermine U.S. leadership of the free world; break the unity of the West; prevent the integration of West Germany and Japan into the Western system; disrupt the economies and governmental effectiveness of our major continental European allies; and exploit

the intemperate nationalism and political instability of the Middle and Far East. Thus, there continues to be danger of such a progressive and cumulative loss of positions of importance to the United States (either as a result of deterioration within the free nations or of communist cold war actions or a process involving both) that the United States would eventually be reduced short of general war to an isolated and critically vulnerable position.

7. The Soviet orbit now has formidable military capabilities. It has succeeded in maintaining large and increasingly well-equipped Soviet armed forces, in expanding and improving the satellite armed and para-military forces, and in developing significant atomic, electronic and possibly BW and CW capabilities. The Soviet long-range air force is capable of atomic attack on the United States and might achieve surprise in the initial strike. The Soviets would be able to support extensive military operations of an offensive nature during the early phases of a general war with reserve stocks and military forces in being.

8. The Soviet orbit is expanding its current production; it is also expanding its industrial, economic, and scientific potential. Many of these latter developments are long range in nature. The USSR has demonstrated a high level of scientific and technical capability in several vital military fields, notably nuclear energy, aircraft design and production, electronics and chemical warfare.

9. The United States and its major allies have responded to the perilous situation of 1950; they have responded collectively to the attack upon South Korea; they are improving the security position in Western Europe and in the Pacific; they, and particularly the United States have significantly improved their readiness for war.

10. The United States is increasing its atomic strength and may soon develop a thermonuclear weapon. There is, in fact, every indication that its present advantage in atomic weapons stockpile and in the production of fissionable materials will be further increased; and means for their delivery exist. The U.S. is also developing an increasing variety and quantity of mass destruction weapons and means for their delivery; well dispersed overseas bases are being established within range of the sources of Soviet political and industrial power.

11. The United States and other countries in the free world are engaged in a mobilization program which is designed both to facilitate any future shift to a war economy and to maintain a substantial level of strength over an extended period. Moreover, the United States has the economic capacity to sustain a generally higher level of armament production than is contemplated by currently projected programs and is capable of accelerating the production of selected items within the framework of present pro-

grams. Such an increase in the level of armament production would, however, require a willingness in the United States and allied countries to accept an increased diversion of scarce materials and other resources to such production through more severe direct physical controls. In addition more vigorous price and credit controls and a heavier tax burden would be required in order to protect the economies of these nations.

12. The free world enjoys a very substantial superiority in basic productive potential over the Soviet orbit, but this superiority is not the sole measure of the relative ability to undertake large armament programs over an extended period in the absence of general war. The Soviet orbit, through its total control over the Soviet economy and population, can utilize a high proportion of the Soviet orbit resources and potential to achieve and maintain the present level of military preparedness. In the absence of general war, it is far more difficult for the free world to achieve an adequate utilization of its resources and potential to counter the Soviet threat.

13. Moreover, the increasingly destructive power that will be available to both sides could make it more difficult to ensure the effective conversion of the economies to full war production. In planning the utilization of its resources in the absence of general war, therefore, the free world cannot give the same weight as in previous wars to its heavy preponderance of productive capacity and economic potential as the determining factor in preventing or winning a general war.

14. Because of improved methods of delivery, in combination with increased atomic and possibly thermonuclear weapon stockpiles, the Soviet orbit will probably acquire during the next several years a capability to damage critically the United States and its allies. Defensive counter-measures now in prospect probably cannot prevent the Soviet orbit from achieving such a capability, although such measures can certainly postpone the time of its achievement. The same reasoning would apply in general to the defensive position of the Soviet orbit. The free world for its own protection must take measures to improve active and passive defense, including the exploration of new technological possibilities, but nevertheless must probably accept a substantial degree of vulnerability and avoid disproportionate concentration of resources on defense at the expense of measures necessary to project its strength outward to the enemy.

15. Taking account of all these factors, the strongest deterrent to general war will be the achievement and maintenance of such an overall position of strength by the free world as will force the Soviets to recognize the undesirability of challenging it. The United

States and its allies hold it within their power to achieve and maintain such a position of strength.

16. In Europe a continued improvement in the NATO military posture is essential (a) further to reinforce the deterrent to general war, (b) to provide a sounder military position in the event of general war, (c) to strengthen the confidence of our European allies and their determination to stand firm in the face of further Soviet provocation. Greece and Turkey, with their significant forces, are being successfully integrated in NATO; Greek-Turkish-Yugoslav military cooperation is beginning to develop; the juridical basis for Western German rearmament is being established; and Spain's participation in Western defense plans is a developing prospect. However, our major European allies, particularly the UK and France, are encountering major obstacles in making a fully adequate contribution to the forces of NATO and in supporting their existing responsibilities outside Europe. The volume and rate of delivery of U.S. assistance, which in turn depends upon production and availability of material, is a major factor in determining the size and timing of the genuinely effective forces which can be created. On balance, the NATO commitments, and such additional declarations as those of the United States and its allies concerning Berlin, together with European efforts and U.S. assistance, have made it clear that military action by the USSR or its satellites would almost certainly lead to general war. It is therefore unlikely that the Soviet orbit will take military action there unless it is prepared to engage in general war.

17. Apart from the above problem of military capabilities, the Western European powers continue to be confronted with serious political, economic and social problems despite substantial advances, with U.S. assistance, towards greater stability and cohesion. These problems have derived from economic conditions, political instability, neutralist tendencies, social tensions, and, in France and Italy, the continued existence of large and powerful Communist parties. Although genuine progress has been made, further efforts by the Western European countries and U.S. assistance to them will be required to overcome these adverse elements and to continue the progress towards political, economic and social stability, and collective defense in Western Europe.

18. Present and threatened communist aggression and subversion in the Far East and Middle East (excepting Turkey) currently pose immediate dangers to the free world position.

a. In the Middle East, efforts to maintain or enhance political stability have not succeeded. Recent developments in Iran, and to a lesser extent Egypt, have emphasized the danger that trends in this area may lead to the denial of its resources to the free world's security efforts and eventually to the loss of important countries in Communist control. The U.S. may soon have to consider assuming additional responsibilities in the area.

b. In South Asia and the Far East, the inexperience of the present leadership and lack of a firm popular base hampers the ability of various countries to strengthen themselves internally and to cope with communist and extremist pressures. The continued rise of nationalism in these areas has created divisive conflicts. This nationalism represents a reaction against former or remaining colonial controls and creates weaknesses in the free world as a whole.

c. In Indochina, where the situation is most acute, an increase of strength has enabled the French Union forces to stand off the communists but has not brought them within sight of success.

In the Middle and Far East there is evident need for aid programs of such flexibility and so related to political factors as to contribute to the solution of critical problems in unstable areas. Moreover in the Middle and Far East, the USSR, by instigating direct or indirect aggression, can force the Western powers to choose among (a) suffering the loss of these areas by default, (b) fighting defensive local action for limited objectives, or (c) treating local aggression as a cause for general war.

19. Despite the vital interest of the free world, measures to deal with a sudden worsening of situations in the Far and Middle East are not now adequately provided for under present programs, priorities and force levels. In the circumstances, the questions arise (a) whether these serious threats can be met by a redistribution of the free world's effort presently programmed, or (b) whether consideration must be given to increasing the total effort, or (c) both.

20. Over the next several years, with the accumulation on both sides of atomic and other mass destruction weapons, the developing situation may present a continuing and possibly improved opportunity for Soviet expansion by the techniques of political warfare and local aggression if the free world permits the fear and threat of general war to paralyze its reaction to such threats.

21. In the light of the present threats and foreseeable developments, as outlined above, it appears that the ability of the free world to maintain its position and progress toward its objectives will come increasingly to depend upon: (a) its capacity to stand firm against Soviet political warfare, which may be intensified by the increasing Soviet atomic capabilities, (b) a greater capability and greater willingness than have been demonstrated to commit appropriate forces and material for limited objectives, and (c) its ability to develop greater stability in peripheral and other unstable areas.

22. Outside the Soviet orbit there exists a need for increased and more selective political warfare operations by the United States and its allies to combat:

a. The threat of local communist parties, which remains serious although the United States and its allies have demonstrated the ability to weaken communist organizations and reduce the communist potential for revolution and sabotage.
b. USSR propaganda directed with particular force against the United States.
c. In many parts of the world, distrust of the United States which weakens affirmative support for the purposes of the United States.

23. Against the Soviet orbit itself, by skillful execution, the United States and its allies may sap the morale of satellite leaders and encourage rifts between the USSR and the satellite countries, and over a period of years may gradually force the Kremlin to an increasing preoccupation with internal security. By appropriate economic measures, the U.S. and its allies can help to deprive the Soviet orbit of needed resources and retard the development of Soviet orbit military potential. It should be recognized, however, that measures of these types alone, however vigorously pursued against the Soviet orbit, cannot be counted on drastically to reduce the threat which the Soviet system poses to the free world.

24. During the next few years, it is unlikely that broad settlements can be negotiated with the USSR for the Kremlin will probably not feel that the power relationship obliges it to make significant concessions to the free world. This situation could change in the course of time, particularly if Germany and Japan were to be restored to strength and firmly aligned with the free world; but during the next several years the prospect for negotiations of general agreements is negligible, although specific agreements on a *quid-pro-quo* basis, such as an armistice in Korea, are not precluded. Nevertheless, development of a sound U.S. negotiating position in any question or dispute involving the USSR would help to convince the world of the validity and sincerity of our position and would serve as a political warfare weapon.

25. While recognizing the admitted elements of strength of the Soviet world and the as yet un-marshalled over-all strength and obvious points of weakness of the free world, we continue to believe that the free world with its superior resources should be able to build and maintain, for whatever length of time proves to be necessary, such strength that the Soviet orbit will be unable to make significant advances in expanding its power, either geographically or politically. Moreover, if the free world develops such strength, the internal conflicts of the Soviet totalitarian system should, with

positive effort from us, subsequently cause a retraction of Soviet power and influence and eventually cause that system gradually to weaken and decay, although no time limit can be established by which these objectives will be achieved.

26. During the past two years, the free world has made considerable progress toward building such strength. However, in view of the dangers and difficulties facing us in the next few years, a re-examination of the adequacy of current U.S. national security programs from the standpoint of size, relative priority, and allocation is required.

S/S-NSC files, lot 63 D 351, "NSC 135"

Statement by the Director of Defense Mobilization (Steelman) [1]

TOP SECRET [WASHINGTON, undated.]

INCREASED AVAILABILITY OF MATERIALS MAKES ACCELERATION OR UPWARD ADJUSTMENT OF SECURITY PROGRAMS FEASIBLE (NSC 135/2) [2]

NSC 135/2 states, in paragraph 16, that "The United States should . . . assure the acceleration of the production of selected military end items under present programs," and in paragraph 9 states *inter alia* that a re-examination of existing programs should be made "to determine whether a general increase in the level of free world programs and military forces is required . . ."

Because both of these steps would affect the broad question of the level of national security programs in the last half of fiscal 1953 and in fiscal 1954, I have had prepared a detailed projection of the materials outlook, a suggestive analysis of military production programs which may advantageously be accelerated, and a preliminary study of the stabilization impacts of an accelerated or increased national security program. I should like to place before the members of the National Security Council some of the major conclusions of this inquiry.

Our Course of Action

Some analysts of the defense program have felt that too much emphasis was placed early in the program on building new facilities for the mobilization base and too little in turning out new weapons. The choice now is not between one or the other. There is room now to make more rapid progress on both if the funds and authority are made available.

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[1] A covering memorandum by Lay to the National Security Council, dated Sept. 25, reads: "The attached statement by the Director of Defense Mobilization on the subject, the contents of which he summarized orally at the meeting of the National Security Council on September 24, 1952, is circulated herewith for the information of the National Security Council."

[2] Regarding NSC 135/2, see footnote 1, p. 134.

In the field of military production, it may have been unavoidable that original schedules fixed early in 1951 for certain key weapons could not be met because of difficulties in organization of production, delays in placement of contracts down through the subcontracting chain, material flow difficulties and shortages, machine tool shortages, design difficulties, testing delays, strikes, and so on. Hence, it made sense to revise schedules to realistic levels and avoid the continued immobilizing of materials and facilities that were out of phase.

But now, since many of these earlier problems have been solved or are well on the way to solution, we are confronted by a new freedom of choice.

We could continue to live with the consequences of these past difficulties and continue to extend the period of attaining these goals accordingly. By so doing, we would content ourselves with getting back at a later date to the levels of production earlier contemplated. We would thereby not attempt to make up for lost time and past slippages either by (a) accelerating those schedules or (b) by an over-all increase in these key programs for the defense of the free world.

The other alternative is to take advantage of the solution of the earlier difficulties which have been painfully overcome to carry out the objectives toward which NSC 135/2 points. I strongly urge that the acceleration of present schedules of key selected weapons is not only feasible, but wise. Furthermore, in addition to such an acceleration, I believe that a general expansion of our total programs beginning in fiscal 1954 will also be feasible, to a very substantial degree.

Material Availabilities

The feasibility of accelerating security programs is supported by a detailed analysis of projected controlled materials (steel, copper, and aluminum) supply and demand for calendar year 1953. This report shows that sufficient materials will be available to permit considerably expanded security program levels beginning in June 1953, even after allowing fully for all presently planned security programs and unrestricted demand for consumption uses in all other areas.

Steel should ease after the setbacks caused by the steel strike have been made up. [3] By mid-calendar year 1953, with the exception only of several special shapes and alloys, steel availability should fully meet all requirements including unrestricted market demand for all non-military uses. While estimates regarding calendar year 1954 present the usual difficulties of judgment-making for more remote periods of time, that period—as well as it can be estimated at present—should present even greater availability against projected unrestricted demands.

The relationship of demand to supply for *copper* is tight in 1953. Given an expected increase in the domestic production and imports over first half calendar 1953 levels, sufficient copper should be available to fulfill presently projected security programs, including an assumed quarterly stockpile addition of 30,000 tons (an arbitrary rate having no official status), and permitting an approximate demand-supply balance for all other consumption without use restrictions. It should be noted that military programs other than small arms ammunition could be increased substantially with only a relatively insignificant increase in copper requirements.

The demand-supply relationship for *aluminum*, assuming no interruptible power loss and no stockpile additions, is expected to be in approximate balance by the second calendar quarter of 1953. New facilities should provide a rising surplus above projected direct defense requirements, plus unrestricted market demand for all other uses, throughout the latter half of calendar year 1953. Past experience indicates, however, that account must be taken of potential losses of production because of power shortages in the Northwest. In addition, of course, stockpile additions must be taken into account. The DPA Deputy Administrator for Aluminum has suggested that aluminum stockpile additions in the first half of calendar year 1953 be 100,000 tons, and that the impact of any losses of production growing out of potential power interruption fall upon this stockpile addition. This rate of stockpiling would require approximately third quarter 1952 allotment levels—which are relatively generous—to be maintained during the first and second calendar quarters of 1953. Stockpiling at a level moderately less than this in the last half of calendar 1953, however, would leave supplies of aluminum above anticipated demands (on an unrestricted basis) in that period.

The projected industrial and civilian demands utilized above reflect a judgment that economic activity through 1953 will continue at the current high level, but that no attempt to build inventories will take place comparable to that in the post-Korean period. Total Gross National Product in 1951 dollars is expected to rise moderately in 1953—perhaps by 5 or 6 per cent. By mid-1953 national security expenditures under present programs are expected to be about 15 per cent ($8 billion) above the current annual rate. Consumer spending on hard goods is expected to be sustained. Total dollar expenditures for all types of construction in 1953 are expected to remain at about the 1952 level. While expenditures for new industrial plant and equipment related to mobilization expansion will decline, with sharply-falling material requirements, increases are anticipated in such other heavy construction areas as petroleum and electric power. Relaxation of controls over commercial and recreational construction will permit increased activity. State and local governments will probably raise their expenditures for road and bridge construction and other capital equipment.

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[3] Reference is to the steel strike of 1952. President Truman discussed his role in the controversy in his *Memoirs*, volume II, *Years of Trial and Hope* (New York, 1956), pp. 465–478.

No detailed examination of projected demand for major materials has been made for calendar year 1954. Some increase in the production of aluminum and copper may be contemplated as new expansion adds to supply; the supply level for total steel products in CMP shapes and forms is anticipated to be about equal to 1953 capacity. If material requirements continue into the year 1954 at the year-end-calendar 1953 rates, exclusive of stockpile additions for copper and aluminum, the spread of supply over demand for aluminum will widen in the calendar year 1954; the margins for steel and copper will approximate those existing at the end of calendar 1953.

Of course, the demand-supply relationship for different shapes and forms would show variation in relative tightness and in timing of demand-supply balance. But in the aggregate, controlled materials for accelerated security program use will become available in increasing amounts in the last half of calendar year 1953 and 1954. The rapid expansion of our plant and equipment in the past few years will add steadily to our ability to accelerate security programs without adversely affecting the civilian sector of the economy.

Alternative Choices Must be Made for Available Materials

This outlook suggests the importance of appraising, at this time, future alternative uses for the available materials. These alternatives include: (a) increases in selected direct military and atomic energy programs; (b) increased stockpiling over currently-projected levels for calendar year 1953; and (c) selective expansion through the entire range of our security programs to strengthen deficiencies, fill gaps, and provide for changing requirements in the production and resource base for full mobilization, both for ourselves and our allies.

Although the extent to which individual military and other security programs could be expanded can be determined only after detailed review of specific shape, alloy, facility and other requirements, materials should be available to support any one or a combination of the following: substantial expansion of the specific military programs, increased stockpiling of copper and aluminum, building toward mobilization-readiness objectives in selected resource and facility areas both at home and elsewhere in the free world, and the direct provision of general economic aid to our allies in the form of materials and production equipment. In any event, it is clear that security programs could be increased beginning in the latter half of 1953 while at the same time permitting material availability sufficient to meet unrestricted market demand, as nearly as that demand can be predicted at this time.

Accelerating Military End-Item Production, Stockpiling, and Foreign-Aid Programs

This review of material availabilities suggests that the acceleration of output called for in paragraph 16 a of NSC 135/2 could cover a wide range of items. There are a number of candidate programs, using that term in its broadest sense.

In the area of military end-item production, possibilities for acceleration would seem to center in programs having such characteristics as the following: they are of central importance in providing security; they cannot be manufactured in a short time-period following an outbreak of war; engineering has been completed or nearly completed on the item at the present time; adequate facilities and raw materials are now available for their production; plant capacity, including machine tools to produce the item, is now available; and a sudden increased demand in the near future would not result in a corresponding demand for extraordinary skills or long apprenticeships.

The specific programs which might be chosen, of course, are intimately related to strategic considerations which I do not presume to appraise. Illustrative of the type of program items which fit the above criteria are jet engines; airframes for fighters and bombers; certain electronics like the Hydrogen Thystron tubes, transistors, the circuits to go with them, and servo-mechanisms; large tools not used in civilian work such as heavy presses and their attendant equipment, as well as large steel castings and forgings; certain optics which require aging of the glass, and slow grinding or ruling of the lenses or reflectors; and some types of guided missiles.

For some programs, short-lived bottlenecks would have to be overcome. Choke-points might grow out of the need for additional manpower, more jigs and fixtures, and perhaps even additions to plant capacity. None of these problems is so difficult, however, that expediting action could not overcome it quickly if decisions to accelerate or expand were to be taken now. In no case has it been established that any material shortages would restrain such an acceleration with the possible exception of a few very scarce materials such as titanium. Such problems, however, are now in the process of being resolved.

In appraising the availability of materials for accelerating security programs, in calendar year 1953 and beyond, the future rate of stockpiling (which is an important phase of our security programs) must be taken into account. Stockpile objectives for a number of critical materials, such as copper and aluminum and the ferroalloys, have not been completed. The materials outlook sketched above for the last half of calendar year 1953 and extending into the year 1954 suggests that a substantial additional degree of security could be acquired, after meeting other demands, both in security end-item production and in stockpiling. How much of each is obtained depends, of course, upon the degree of acceleration determined in each case.

The opportunity open for accelerating military end-item production was noted above. A correspondingly favorable possibility exits for stockpiling. For example, the stockpile objective for copper is 1,100,000 tons against which an inventory on June 30, 1952 of 565,000 tons existed. If the goal were to be achieved within the next few years, the quarterly additions of copper to the stockpile would have to be above the arbitrary rate of 30,000 tons mentioned above, as an assumption in making the demand-supply projection for this metal. The aluminum inventory in the national stockpile on June 30, 1952 amounted to 103,000 tons against a stockpile objective of 2,000,000 tons. Obviously, here too, an approach to achieving stockpile goals within the next few years would require higher quarterly additions than the rates assumed above. The situation in other key materials is similar.

A third major security program area is our aid to foreign friendly nations. Increasing material availabilities will make possible further help in controlled material shapes and forms (e.g., steel ingots), as well as components and finished products, to strengthen their defense programs. In this area a comparatively small utilization of our productive resources can pay large dividends to our allies and to us.

Acceleration of Security Programs Not Inflationary

Preliminary studies show that accelerated security program delivery rates becoming effective about the middle of fiscal year 1954 (i.e., at the end of calendar 1953) would probably not adversely affect the stabilization program.

Some weakness in the economy may develop by the middle of next year. With the approaching completion of the capacity expansion program, aggregate investment is expected to decline. Although certain areas of investment will remain high for some time, such as electric power and petroleum, the rate is not likely to increase and therefore cannot serve to offset the decline in other major expansion programs, such as steel. Nor will potential expansion in other types of construction provide a sufficient offset.

By the third quarter of calendar 1953, moreover, expenditures for existing major security programs will have reached their peak and will no longer provide an inflationary impact on the economy. In fact, this maximum impact will undoubtedly have been reached several months earlier. The point of maximum drain of critical materials away from the civilian segment of the economy for defense purposes has already been passed. The inflationary pressures from the defense program, however, must be measured also in terms of the employment of labor in the fabrication of raw materials into end products. The peak inflationary impact, therefore, would precede the peak in actual Treasury expenditures.

Trends toward weakness by mid-1953 may also develop from declines in inventories and foreign investment. Manufacturing inventories for defense contracts can be expected to recede as production bottlenecks are eliminated and production reaches established schedules. Distribution inventories are currently fairly well in balance with sales with the possible exception of automobiles and a few other items, and it is doubtful that any substantial expansion would be in prospect next year given the economic outlook above outlined.

The only possible offset to these prospective weakening factors is a large increase in consumption. This probably will not occur, however, without a substantial downward price readjustment, which is not likely to develop until production has fallen off substantially.

In appraising the possible stabilization impact of an acceleration or expansion of our security programs, the timing as well as the rate and magnitude must be considered. A program which called for an increase in final deliveries of military goods as early as July 1, 1953 would require that materials be committed for that program immediately. On the other hand, if deliveries were not required before the first quarter of calendar 1954, materials would not need to be committed much before mid-1953.

An expansion of the defense program ranging from $6 to $12 billion (resulting from acceleration or program increases, or both), if its actual impact is felt no earlier than mid-1953, probably would create no serious inflationary problem. Quite possibly this would be true as early as April 1, 1953. Naturally there may be particular materials which at that time may still remain in relatively short supply, but for the most part these would be specialized types of industrial materials which do not have a wide use throughout the economy.

I do not cite these dollar magnitudes as being my recommendation of the extent to which security programs should be expanded. They are designed, rather, to make the point that fairly sizeable additions to existing levels of expenditures—ranging from 10 to 20 per cent—are not likely to be inflationary if their actual impact comes after about mid-calendar year 1953. These dollar magnitudes, of course, refer to the total range of security expenditures for all purposes—as broadly defined as they are in NSC 135/2. They include materials and production equipment which might be part of an altered or expanded program of aid to our allies and increased stockpiling, as well as strictly military expenditures.

An increase of up to 10 to 12 per cent above existing programs, which would mean $5 to $6 billion above the projected June 1953 annual level, I believe could readily be absorbed without strain. If much beyond the maximum of $12 billion were involved, we would enter a situation in which the use of control mechanisms might be increasingly necessary to overcome specific materials shortages and an inflation problem. Our problems could be accentuated also if the increase determined upon were concentrated in a particular segment of the whole range of security programming; e.g., in a few categories of military hard goods. I would, therefore, stress the importance of early decisions on the possible magnitude of acceleration, and the items involved, and on the extent and nature of an overall increase in our programs.

I should like to add, too, that acceleration of existing programs fits into our present and proposed abilities to manage our resources. A large future increase in our security programs, following a period of moderate levels, might find us shorn of our ability to exert that degree of direction over the economy that would be required. The magnitude of that problem, of course, would turn upon the timing and the level of such higher program.

PPS files, lot 64 D 563, "Natl Sec (civil defense)"

Memorandum by the Under Secretary of State (Bruce) [1]

TOP SECRET [WASHINGTON,] October 14, 1952.

Meeting of the National Security Council, Tuesday, October 14, 1952

The only subject on the agenda was that of a Continental Early Warning System. The President enjoined strict secrecy about what was discussed on all those present.

There was a very large assemblage, including the Chiefs of Staff, Messrs. Pace and Finletter, Messrs. Lovett and Foster, and a variety of Generals and Admirals from the Department of Defense as well as a scattering from other agencies of Government, including Messrs. Harriman, Gorrie of NSRB, Jerry Wadsworth of Civilian Defense, John Snyder, and, representing State, Paul Nitze and myself.

In the estimation of the Lincoln Summer School Project experts, their development has reached a stage where they think it would be feasible to establish warning stations.

An Air Force General presented the results of the Air Force study of this program, aided by appropriate charts. He was also spokesman for the Department of Defense in outlining that Department's position. Its position was that this new invention should be encouraged and that four experimental stations should be equipped and manned. However, the Department of Defense did not favor the crash implementation of the scheme, which is what was advocated by Mr. Gorrie [2] and by some of the scientists present. The Department of Defense favored a somewhat slow expansion of funds to be devoted to this purpose with the idea that this development would be pressed in step with the other dispositions now being made by the Department of Defense in other fields of advance warning.

The President closed the meeting by saying that he would like the Department of Defense and the NSRB to get together and make a recommendation to him.

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[1] Copies to Nitze, Bohlen, Matthews, Sohm, and S/S. Bruce had met with the President on Oct. 13 and had discussed the question of an Early Warning System "which will be the subject discussed at the NSC meeting tomorrow." Truman urged Bruce to bring any representatives from the Department of State that he wished, and "The President stated that he thought this was a matter of great importance and he was looking forward with interest to what would be developed at the meeting". (Meeting with the President, Oct. 13, 1952, PPS files, lot 64 D 563, "Natl Sec (civil defense)") The memorandum for the President, Oct. 15, containing the summary of discussion at the 124th meeting of the NSC on Oct. 14 is in the Truman Library, Truman papers, PSF-Subject file.

[2] See the attachment to the memorandum by the Secretary of State, Sept. 24, p. 141.

Mr. Nitze asked a couple of questions and I asked one myself designed to produce more information as to why it would not be wiser to proceed on a crash implementation basis.

The real point at issue seems to me to be whether an overriding priority should not be given by the Department of Defense to this proposal instead of allocating to it a fairly minor sum almost on the theory of a convoy's speed being determined by the speed of its slowest ship.

I spoke to the President for a minute or two after the meeting on the above basis and he said he would take this under consideration.

DAVID BRUCE

Truman Library, Truman papers, PSF-Subject file

Memorandum by the Executive Secretary of the National Security Council (Lay) to the President

TOP SECRET WASHINGTON, November 5, 1952.

This "Key Data" book [1] has been prepared by the NSC Reporting Unit to enable you to keep at hand a current ready guide to the national security programs. The information is taken either from National Security Council reports like NSC 135 [2] or from departmental reports maintained by the Reporting Unit in accordance with your basic directive.

The indicators have been selected to present the status of each program in relation to national security objectives approved by you upon the advice of the National Security Council. Additional material will be added from time to time along with revisions of the present contents.

JAMES S. LAY, JR.

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[1] Below.

[2] Regarding NSC 135, see the editorial note, p. 56.

[Enclosure]

Key Data Book Prepared by the Reporting Unit of the National Security Council for the President

[Extracts]

TOP SECRET [WASHINGTON, undated.]

STATUS OF THE NATIONAL SECURITY PROGRAMS OF THE UNITED STATES OF AMERICA IN RELATION TO APPROVED OBJECTIVES

Our general objectives with respect to Russia in time of peace as well as in time of war should be:

a. To reduce the power and influence of the USSR to limits which no longer constitute a threat to the peace, national independence and stability of the world family of nations.
b. To bring about a basic change in the conduct of international relations by the government in power in Russia, to conform with the purposes and principles set forth in the UN Charter.

In pursuing these objectives due care must be taken to avoid permanently impairing our economy and the fundamental values and institutions inherent in our way of life.

—NSC 20/4 [3]

NO. 1 THE MILITARY PROGRAM

1. The objectives of the military program are:

a. Protection against disaster; and
b. Support of our foreign policy.

In the course of meeting these objectives, the military program is designed to provide, at the least possible cost in manpower and national resources, a maximum deterrent to enemy aggression and, in case war occurs, give the nation a reasonable assurance of victory.

2. In order to attain the above objectives, the Joint Chiefs of Staff have recommended the forces listed herein to carry out on an austere basis the following approved basic military tasks:

a. To provide a reasonable initial defense of the Western Hemisphere and essential allied areas, particularly in Europe.
b. To provide a minimum mobilization base while offensive forces are being developed.
c. To conduct initial air and sea offensive operations to destroy vital elements of the Soviet war-making capacity and to check

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[3] For text of NSC 20/4, "United States Objectives with Respect to the USSR To Counter Soviet Threats to U.S. Security," Nov. 23, 1948, see *Foreign Relations*, 1948, vol. I, Part 2, p. 662.

enemy offensive operations until allied offensive strength can be developed.

d. To defend and maintain the lines of communications and base areas necessary to the execution of the above tasks.

e. To provide aid to our allies to assist them in the execution of their responsibilities.

THE MILITARY PROGRAM—CAPABILITY ON JUNE 30, 1952 TO FULFILL ITS OBJECTIVES

The Army is currently capable of providing, on an austere basis, ground and anti-aircraft defenses for certain of the most critical areas in the Western Hemisphere and the essential overseas bases and lines of communication, except those in the Benelux countries, France and Germany. It does not possess the capability to fulfill the aggregate of the objectives set forth because of the insufficient level of stocks in the mobilization reserve and an inadequate industrial mobilization base and the inadequate strength and readiness of the General Reserve.

The current Navy and Marine Corps capability to fulfill the outlined objectives is good from the standpoint of being able to initiate D-Day tasks. From the standpoint of sustaining and expanding the initial effort in phase with current war plans, the capability is not good. The capability to initiate D-Day tasks will improve as funds already approved are effectively applied to improve the modernization and training of the active forces. The capability to sustain and expand the initial effort will remain unsatisfactory until funds are made available to increase significantly the level of equipment in the mobilization reserve.

The Air Force has currently a limited capability to defend the Western Hemisphere against air attack, owing chiefly to a shortage of all-weather jet interceptors and delay in the completion of the radar network covering Canada,[4] Alaska and the northeastern United States. Assuming continued involvement in Korea following the onset of general war, it would have difficulty in carrying out those measures for the defense and maintenance of essential lines of communication to Europe which fall within its responsibilities, and could provide only a limited portion of its planned contribution to the defense of NATO and the Far East. It has also a limited capability to carry out the strategic offensive. These capabilities will continue to improve as manpower and resources continue to be made available for the build-up and modernization of the Air Force in accordance with approved goals. The position of the Air Force with respect to post D-Day mobilization and capability to sustain and expand the initial effort is serious. It has been necessary for the Air Force to expend a maximum of available resources for the force in-being at the expense of the mobilization potential. The ability of the Air Force to sustain certain of its D-Day tasks will continue to be less than satisfactory until the mobilization reserve position has been significantly improved.

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[4] Documentation on negotiations and discussions leading to joint US-Canadian construction of an early warning system across Alaska and northern Canada is scheduled for publication in volume VI.

THE MILITARY PROGRAM—AIR DEFENSE

At present, the 3-6 hour warning of an impending air attack on the continental U.S. essential for both military and civil defense is not assured. Intelligence may fail, and the present warning systems in Alaska, Canada, and Newfoundland can be avoided—through gaps in coverage, by low-level attacks or by submarine-launched missiles. A raid might not be detected until well within the continental U.S. defense system.

The capabilities of air defense forces are extremely meager, especially against low altitude and night attacks. The following need improvement: early warning, land radar cover at low altitude, seaward radar coverage at all altitudes, capacity of present systems to handle large raids, identification of surprise attacks, quality and quantity of all-weather interceptors, and AA against very high and very low attacks.

Present forces for the air defense of the U.S. and Canada include 46 interceptor squadrons, 45 AA battalions, 80 large radars and 11 air defense control centers. Additional radar sites are under construction.

Programmed and funded improvements include 60 early warning and control aircraft to man 8 off-shore stations; 57 all-weather fighter squadrons totaling 1425 aircraft; 9 RCAF all-weather fighter squadrons totaling 172 aircraft; and 66 AA battalions, 28 of which are to be equipped with Nike missiles.

Additional improvements planned, but not yet funded include 35 more large radars to fill gaps in the perimeter; some small radars for low altitude protection; sea-based radar coverage in critical coastal sea areas; better data-handling systems, identification, fighter interceptors, and local defense; and development generally for additional early warning and defense in depth.

Two recent technological break-throughs make the extension of the early warning system northward beyond the boundaries of the United States technically and economically feasible. First, the development of audible means for presenting radar information eliminates the problem of manning and watching radar scopes under Arctic conditions. Secondly, the discovery that long-range radio communications are possible at frequencies much higher than usually assumed greatly increases the reliability of Arctic communications, previously hampered by ionospheric storms.

Pursuant to Presidential directive on October 14, 1952, [5] the Secretary of Defense and the Chairman, NSRB, are preparing coordinated recommendations on the possibility of an improved continental early warning system.

THE MILITARY PROGRAM—RESEARCH AND DEVELOPMENT

Research and development for national defense, measured in dollars, has more than doubled since Korea. Programs presently directed toward defense objectives include those of the Department of Defense, the Atomic Energy Commission, and the National Advisory Committee for Aeronautics. Together these programs absorb more than half the 135,000 engineers and scientists engaged in research and development in the nation and will absorb more in the next year or two.

Funds obligated by the Department of Defense for research and development are running as follows:

Obligations

(millions of dollars)

FY 1950 Actual	FY 1951 Actual	FY 1952 Estimated	FY 1953 Estimated
520	994	1325	1472

1. *Air Defense*. The three major components of air defense are warning systems, surface weapons, and air weapons. Present warning and control systems have three major weaknesses: (1) the ranges of surveillance radars do not provide sufficient warning for interceptor aircraft; (2) present radars have difficulty detecting aircraft at very low altitudes or at very high altitudes; (3) the radar systems are easily saturated; that is, the number of aircraft that can be detected, tracked and taken under attack simultaneously by present warning and control networks is altogether too small. Major improvement cannot be expected for four or five years.

Present anti-aircraft gun systems are ineffective above 20,000 feet and at very low altitudes. Extremely rapid firing rocket systems, to be available in next three to five years, should improve capabilities for countering very low level attacks. Major improvement of anti-aircraft defense will begin to be realized in approximately 2 years with the advent of surface launched guided missiles in significant numbers. These promise anti-aircraft ranges of 10 to 25 miles at altitudes up to 60,000 feet, with high probability of kills in one or two shots.

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[5] See the memorandum by Bruce, Oct. 14, p. 164.

Regarding air weapons, our jet fighters should be effective against present Russian heavy bombers if alerted and directed to the target in time. Between 1957 and 1960 our interceptors should become armed with guided missiles and should be susceptible of control, in any kind of weather, from the ground or from aircraft carriers. During this same period, ground-to-air guided missiles, completely controlled from ground stations at ranges of 100 to 250 miles, should begin to be available.

2. *Anti-Submarine and Anti-Mine Warfare.* The problems of detecting distant objects under water and properly classifying them are both extremely difficult and especially critical to our success. Our ability to deal with modern submarines, once detected, also leaves much to be desired, but weapons now under development are expected to provide substantial improvement in the next 2 to 3 years. The use of atomic weapons to destroy submarines at sea may become economically feasible.

The best technique today for detecting fully submerged submarines is "sonar," a system based upon sound signals transmitted through the water. The present average range of sonar detection can be approximately doubled by towing the sonar gear some distance below the ship or by suspending it from a helicopter or blimp. Such techniques will be operational in 1955. Ranges up to 5 miles may be achieved by 1956. An important program is now underway to exploit the discovery that the very low frequency sounds given off by snorkelling or surfaced submarines can be heard at great distances in the water. Large listening arrays can provide submarine surveillance by this technique known as "lofar", at distances considerably in excess of 100 miles.

Our present capability against mines is dangerously low, especially in the case of pressure, magnetic and acoustic mines laid on harbor and channel bottoms. No completely adequate means to detect and classify bottom-laid mines are in prospect. For this reason we are developing sweeping equipment that will itself explode the mines, thereby removing the need for detecting and classifying them. Despite our best ingenuity, however, anti-mine warfare is expected to remain a slow, costly, and extremely dangerous operation.

3. *General Air Warfare.* The most significant weapons advance in this field is the development of small atomic bombs that can be carried by fighters, fighter bombers, light bombers and general purpose aircraft operating from forward airfields and aircraft carriers. These smaller bombs are beginning to be stockpiled this year. To

carry the small atomic bomb several currently operational fighters and light attack aircraft are being modified.

Dive-bombing is an accurate delivery technique, but if an atomic weapon is used, ceilings as high as 18,000 feet are normally required so that release can be made at an altitude which permits the aircraft to escape damage. However, one experimental method, expected to be operational by 1953, would allow a fighter to approach the target at treetop height and release its bomb in a sharp climbing maneuver, lobbing the bomb several miles to the target.

In the field of guided missiles, two subsonic turbo-jet guided missiles may assist in penetrating enemy defenses. Each is designed to carry the atomic bomb to maximum ranges of 500 miles, Matador from land bases and Regulus from submarines, surface ships or land bases. Both are now in limited production for test purposes, but may be operational in 2 to 5 years.

Air bases and aircraft carriers must be considered prime targets in an enemy's efforts to reduce our air capabilities. To decrease the vulnerability of land bases to air attack, reduction in their size would be highly desirable. To this end, work is being done on the "zero length launcher": a technique of rocket-assisted launching that eliminates the normal take-off run. The British have developed a corrolary technique of landing fighters without wheels on a pneumatic mat. This is being further investigated for application to larger aircraft and may lead to an increasing capability to operate from very small areas.

4. *Ground Combat*. The development of tactical atomic weapons will undoubtedly have the most profound implications for land warfare, although the ultimate impact cannot yet be accurately foreseen. A ground-fired atomic weapon will be available for service in 1953. A large unguided rocket with an atomic warhead will be operationally available in significant numbers in 1954. Also in 1954, a shortrange, surface launched rocket-type guided missile with a range of about 75 miles, carrying an atomic warhead will become operational. Similar missiles with ranges up to 150 miles will follow.

By 1954, full scale offensive capability for the nerve gas GB is expected. A new light and mobile anti-tank vehicle with sufficient armor to protect its crew against the weapons of an enemy infantry screen and armed with recoilless rifles capable of destroying any known enemy tank will become available in 1954.

A problem of great urgency concerns our night-time capabilities for surveillance, detection, ranging, and fire control. Full solution is several years away. Another serious problem, for which solution is very remote, concerns our ability to detect non-metallic land mines.

Improvement in supply and transport techniques is steady. The availability of large powerful helicopters has already enhanced our capability for rapidly delivering groups of fully equipped men ready for immediate combat into areas where other aircraft cannot land. About 1957, a helicopter able to carry 18 men will be available.

5. *Strategic Air Operations*. Strategic air operations involve three primary problems: (1) penetration of enemy defenses; (2) location of the target and accurate delivery of the bomb; and (3) the ability to accomplish the foregoing in all kinds of weather.

The application of supplementary jet engines to the B–36 gives it higher speeds for short periods and thus improves its prospects of successful penetration. The all-jet B–47, to be fully operational in 1953, represents the next step in aircraft development and will have a combat speed of 540 miles per hour. However, because of its lesser range, it must operate from advance bases or be refueled in the air in order to reach many of the probable target areas. The B–52 and B–60, which will come into operational use about 1956, promise very long ranges without refueling and at a speed of 600 miles per hour.

Two new bombers will soon enter development. Test flights are scheduled for 1956 and production may be possible in 1958. One is designed to fly at a speed just below that of sound and at altitudes below 1000 feet. The other is designed for operation at high altitudes at combat speeds approaching 1250 miles per hour, far above the speed of sound. Refueling of both in the air will be necessary for long-range missions.

Also under consideration as a penetration technique is the "parasite" system in which a small aircraft proceeds to the target after being carried to the combat zone by a larger, slower, long-range aircraft.

Guided missiles may be the ultimate answer to the penetration problem. A subsonic surface-launched guided missile capable of carrying an atomic warhead to intercontinental ranges will be tested in 2 or 3 years and may be operational within six years. Proceeding on about the same time scale is a supersonic missile, also with an atomic warhead, to be launched from a large bomber that will carry it to within about 100 miles of the target. Missiles with several times the speed of sound and with intercontinental ranges may become operational several years later.

Source: NSC 135, No. 1, "The Military Program"
Prepared by NSC Reporting Unit
November 19, 1952

No. 2 THE MOBILIZATION PROGRAM

The objectives of the mobilization program are:

1. Provision of general production assistance for the military programs.
2. Expansion of materials supply and of the general industrial and agricultural base.
3. Allocation of limited current supplies to meet the needs of defense build-up while at the same time maintaining a healthy civilian economy.
4. Initiation of planning for the completion and maintenance of the mobilization base to meet the requirements of all-out war.
5. Prevention of undue inflationary pressures upon the economy while the foregoing objectives are being accomplished.

—NSC 135

THE MOBILIZATION PROGRAM—STATUS ON SEPTEMBER 30, 1952

In military procurement, a slow but steady increase in deliveries has taken place (see the following chart).[6] By September 30, 1952, total deliveries since Korea reached $41 billion, about one-third of the $129 billion financed through FY 1953. Current deliveries are running about $8 billion per quarter. The recent stoppage in the steel industry has caused some losses of military production—part of which will be made up—and may cause additional losses in the coming months despite preventive action. Current aircraft production is running about 900 planes per month, a post-Korea high, but somewhat under the latest approved schedule. Medium tank production reached 535 units in September, many times the rate of a year ago. It is expected to rise to a monthly average of over 800 in the April–June quarter of 1953, a quantity sufficient to provide for immediate demand. Since succeeding production will provide for accumulation of mobilization reserves, a stretch-out of the medium tank schedule will follow.

On September 30, expansion goals had been set for 176 products and materials. The primary tool to achieve these goals has been accelerated tax amortization, with most projects so aided due to be completed by December, 1953. The programs for aluminum, electric power, steel, and petroleum refining are shown graphically in a separate chart.[6] Expansion programs were also under way to increase supplies by 1955 of such stockpiled items as copper, lead, zinc, nickel, tungsten, and cobalt.

Allocation operations met defense needs for all major materials during FY 1952. There was scarcity, therefore, only in the sense that civilian and export needs were trimmed and industrial usage reduced, or that stockpile accumulations fell behind. By the summer of 1953, except for several special shapes and alloys, enough steel should be available to satisfy unrestricted demand. However, since the supply of copper and, to a lesser extent, aluminum will not reach comfortable proportions until the latter half of 1953, the framework of the Controlled Materials Plan will be required at least until mid-1953. The advisability of removing most controls by that time is under study.

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[6] Not printed.

Because of uncertainty as to the dimensions of the mobilization base, fresh appraisals of the nation's present and proposed production distributive capacity were initiated in FY 1952. Action in this area must wait completion of these and other studies and agreement on proposals to remedy deficiencies. The Department of Defense has, however, already taken the step of including in its 1954 budget request a separate fund for the procurement of production equipment for reserve production capacity.

FY 1952 was a year of remarkable general stability in the economy, the distortions of FY 1951 having been largely eliminated. At the end of September, wholesale prices were 11% above and consumers' prices 12% above their respective June 1950 levels.

Sources:

NSC 135, No. 2, "The Mobilization Program"

ODM, Seventh Quarterly Report to the President by the Director of Defense Mobilization, October 1, 1952

ODM Report to the President by the Director of Defense Mobilization, November 1, 1952

Prepared by NSC Reporting Unit
November 19, 1952

No. 3 THE MUTUAL SECURITY PROGRAM [7]

The objectives of the mutual security program are:

(1) to maintain the security and to promote the foreign policy of the United States by military, economic, and technical assistance to friendly countries to strengthen the mutual security and individual and collective defenses of the free world;

(2) to develop their resources in the interest of their security and independence and the national interest of the United States;

(3) to facilitate the effective participation of those countries in the United Nations system for collective security.

—Mutual Security Act of 1951

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[7] For further documentation on the Mutual Security Program, see vol. I, Part 1, pp. 460 ff.

THE MUTUAL SECURITY PROGRAM—STATUS ON JUNE 30, 1952

With respect to the Lisbon goals for December 31, 1952,[8] shortfalls were in prospect as a result of European delay in raising and training men, and U.S. delay in MDAP shipments (see attached chart).[9] 13 ⅓ divisions will not meet prescribed readiness even though all 43 ⅔ will be in being. There will be shortfalls in aircraft (916), plus deficiencies in combat reserve planes, training, and organization. Navy goals will be short in minesweepers.

The Austrian $70 million military aid program had not yet been implemented, but $1.5 billion in economic aid had enabled Austria to achieve economic viability. Yugoslav ground and naval forces were up to JCS goals, but their combat effectiveness was rated low because of equipment deficiencies. Considerable expansion of air forces was planned. Tripartite economic aid to Yugoslavia allowed minimum living standards and modest development while military forces were being enlarged. The $62.5 million Spanish loan had been almost entirely committed, but the recent $100 million appropriation had not been obligated pending outcome of the base negotiations.

Greek and Turkish forces were capable of carrying out their wartime missions of home defense, except that in the case of Greece there were some equipment deficiencies. Iranian forces, designed chiefly for internal security, met 95% of JCS goals. With political unrest and critical economic conditions in the rest of the Near East and Africa, economic aid was directed at Arab refugees, neutralism, and Israeli economic weaknesses. Point Four programs were just getting underway in the area with the signature of general agreements.

In spite of political instability and threats to internal security in the Far East, progress was made during the year in strengthening existing governments, with the exception of Thailand's. JCS personnel goals for Indo-China and Formosa were nearly met, but equipment was scanty. About 15–20% of programmed military aid for the Philippines and Thailand had been shipped.

No military aid shipments for Latin America were made before June 30. The effective technical assistance program was furthered by $19 million, which was more than matched by local contributions.

The U.S. also participates with substantial contributions in several UN assistance programs.

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[8] Reference is to the force and production goals agreed upon at the Ninth Session of the North Atlantic Council at Lisbon, Feb. 20–25; for documentation, see vol. v, Part 1, pp. 107 ff.

[9] Not printed.

No. 4 The Civil Defense Program

The objectives of the national civil defense program are to minimize the effects of enemy attacks and to ensure the retention of our productive capacity and will to fight—through the education of the public in basic knowledge of and skill in self-protection, and through the development of civil defense organizations which are organized, staffed, trained and equipped for emergency operations.

The Federal Civil Defense Administration has the responsibility, under Public Law No. 290, 81st Congress, for preparing and directing national plans and programs for civil defense and, under emergency conditions, must be prepared to coordinate and furnish support to the operating civil defense forces of the country.

—NSC 135

THE CIVIL DEFENSE PROGRAM—STATUS ON JUNE 30, 1952

Current civil defense planning assumes grave danger of war, that the USSR can attack any or all of 67 critical target areas with an A-bomb (see separate chart), [10] and that total casualties would be about 7,500,000, depending upon the degree of warning and preparation.

If an attack had occurred on June 30, the Federal Civil Defense Administration would have had a measure of functional capability, but the nation-wide civil defense organization would have been grossly inadequate. The public would not have been mentally or emotionally prepared. The warning system was 20% operational. Shelter would have been less than 10% adequate. Radio and television stations would have left the air, thus depriving the people of the means of guidance. Medical supplies, mass feeding facilities and emergency lodging, traffic control, rescue service, water supplies for fire-fighting, and organized transportation would all have been ineffective.

In terms of personnel, civil defense had 3.3 million persons organized, about 18% of the 17.5 million required. Even this is an overstatement of personnel readiness, since those enrolled were not properly distributed. The number enrolled was relatively high for regular community services like fire-fighting and police, but low for activities peculiar to civil defense like warden and rescue services.

In terms of money, the total non-recurring cost to the Federal Government of the estimated requirements is $1.9 billion. Half of this would be for shelters, about 40% for a federal stockpile of medical and other supplies, and about 10% for federal contributions to the purchase of other equipment. Through FY 1953 about $119 million had been appropriated, 6% of the total. State and local governments have appropriated to date $183 million of $1.1 billion required. (See separate fiscal table.)[11]

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[10] Not printed.

Organizationally, a start has been made. All states, territories and possessions have designated a civil defense director. There are 23 interstate compacts in effect for mutual assistance, and a framework for organization now exists at all governmental levels.

No. 5 The Stockpiling Program

The objective of the stockpiling program is to acquire, prior to M-Day, sufficient stocks of strategic and critical materials to offset the anticipated deficit between estimated wartime supplies on the one hand and wartime requirements for military, industrial and minimum essential civilian needs on the other.

The assumed duration of this war (five years) is the minimum given in current JCS guidance.

—NSC 114/2[12]

THE STOCKPILING PROGRAM—STATUS ON AUGUST 31, 1952

Estimated wartime requirements for many materials could be met by domestic production and available imports, but 75 are now stockpiled to cover calculated deficits.

Recently the Interdepartmental Stockpiling Committee put all stockpile materials in 5 bands on the basis of urgency. They found metals to be the most critical, and put 6—beryl, cobalt, columbite, nickel, tantalite and tungsten—in Band I (most urgent).

The percent-of-wartime-requirements approach used for the individual stockpile items is the best one for measuring the status of the program. This is shown in the following chart. But other measures may be used for operational purposes. The second chart,[13] marked "Rate of Acquisition", plots the growth of the stockpile as a whole. On June 30, 1951, 36% of the total stockpile goal, figures in then current prices, was on hand. Since then some individual objectives have been changed and prices have fluctuated; but on August 31, 1952, 51% of the total stockpile goal, figured in current prices, was on hand. At this rate of growth, it would be at least 3 years, and possibly 6 or more, before the stockpile is completed. Schedules, however, now call for an increase in this rate. Most individual stockpiles grew more slowly during the past year or so than was planned. Inventories of 2 declined: chemical grade chromite and corundum.

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[11] Not printed.

[12] For text of NSC 114/2, "United States Programs for National Security," Oct. 12, 1951, and its annexes, see *Foreign Relations*, 1951, vol. I, p. 182.

[13] Neither chart printed.

This slow progress resulted from priority given to current military production, and to certain civilian production necessary to maintain employment and a healthy civilian economy. These prior claims have meant the diversion of goods scheduled for stockpile acquisition and, in some cases, even withdrawals from the stockpile.

On August 31 the stockpile was valued at $3.7 billion in current prices, but the Government had paid for it (at various earlier dates) only $2.3 billion.

The stockpile program is based on the wartime needs of the United States alone. There has been no effort to dovetail our stockpiling program and those of our allies into a single program. However, the U.S. does attempt to work out current demand and supply of scarce materials with other free nations through the International Materials Conference.

No. 6 The National Psychological Program

The mission of the Psychological Strategy Board is to provide for the more effective planning, coordination and conduct, within the framework of approved national policies, of psychological operations.

The PSB is responsible for the formulation and promulgation, as guidance to the departments and agencies responsible for psychological operations, of over-all national psychological objectives, policies and programs, and for the coordination and evaluation of the national psychological effort.

—Presidential Directive of April 4, 1951
Establishing the Psychological Strategy Board [14]

THE NATIONAL PSYCHOLOGICAL PROGRAM—STATUS ON JUNE 30, 1952

While an agreed over-all strategic concept for the program had not been formulated, certain broad criteria for establishing relative priorities were agreed. Some progress was made in NATO areas, but deterioration took place elsewhere, particularly in the Near East. The made-in-America character of part of our psychological output was a major handicap. Even worse was the increasing reaction, expressed in neutralism and charges of U.S. aggressiveness, to the military character of some of our political and economic activities. In underdeveloped countries, past or present white domination is a far greater psychological reality than the Soviet menace. In other areas, particularly Western Europe, the over-riding abhorrence of another possible war constitutes an important liability.

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[14] For text, see *Foreign Relations*, 1951, vol. I, p. 58.

Certain U.S. policies are psychologically damaging. In the Moslem world, it is U.S. policy toward Israel. In areas under European domination, it is U.S. identification with its NATO allies. In Britain and elsewhere, it is U.S. policy toward China. The same is true of certain primarily domestic matters: race relations; the restrictive immigration policy, most recently embodied in the McCarran Act; and tariff laws.

. . . In the . . . information field, the Voice of America and Radio Free Europe were the only significant remaining programs reaching the USSR and the Satellites. . . .

. . . .

No. 7 The Foreign Intelligence Program

For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it shall be the duty of CIA, under the direction of the National Security Council—

(1) to advise the NSC in matters concerning such intelligence activities of departments and agencies as relate to the national security;

(2) to make recommendations to the NSC for the coordination of such intelligence activities of the departments and agencies as relate to the national security;

(3) to correlate and evaluate intelligence relating to the national security, and provide for the appropriate dissemination of such intelligence within the Government using where appropriate existing agencies and facilities: provided, that CIA shall have no police, subpoena, law enforcement powers, or internal security functions: provided further, that the departments and other agencies shall continue to collect, evaluate, correlate, and disseminate departmental intelligence: and provided further, that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure;

(4) to perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the NSC determines can be more efficiently accomplished centrally;

(5) to perform such other functions and duties related to intelligence affecting the national security as the NSC may from time to time direct.

—National Security Act of 1947, as Amended

. . . .

No. 8 THE INTERNAL SECURITY PROGRAM [15]

The objective of the internal security program is to protect this country from the threats of espionage, sabotage, and other disruptive tactics which are directed against the United States by Soviet Russia and her satellites through world communism and other avenues, with the recognition that, in approaching a goal of absolute security, there is a danger of encroachment upon the constitutional liberties guaranteed by our democratic form of government.

—NSC 135

THE INTERNAL SECURITY PROGRAM—STATUS ON OCTOBER 31, 1952

The Interdepartmental Committee on Internal Security and the Interdepartmental Intelligence Conference believe they are achieving adequate coordination, both for present limited mobilization and for possible general war.

Control of subversives was increased in FY 1952 through the prosecution of members of the Communist Party, USA, by expansion of the informant program, and by the executive orders on loyalty and security. Action by the Civil Service Commission on the loyalty program will contribute to the improvement of security through the development of a common procedure in all sensitive governmental units. Control of persons is weak in the entry-exit area, despite limited measures taken regarding the entry of potentially dangerous aliens and new authority under the recent Omnibus Immigration Act. There are no adequate controls over alien crewmen, or foreign official and diplomatic personnel.

There is a high degree of installation security for certain government buildings and areas of some sensitive agencies. Uniform standards for industrial facilities are being prepared by the Facilities Protection Board for publication in December, 1952. A substantial number of key facilities have been assigned by the Industries Evaluation Board to government agencies for security supervision, and a great many others are under review. There is virtually no control over the subcontracting plants of classified contractors. Furthermore, legal authority is lacking to remove security risks in industry, there is difficulty in preventing strikes by communist-infiltrated unions, and plant visitors are not adequately checked. Accordingly, the U.S. industrial establishment is not secure, and acts of sabotage should come as no surprise.

Difficulties in implementing the limited port security program reduce its effectiveness, even in major ports. No effective security program was in force for the communications industry. Export licensing and monetary controls are limited primarily by problems of transshipment abroad and diplomatic immunity; import control has been identified as a counter-smuggling problem, and is being treated accordingly.

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[15] For further documentation on internal security and the federal loyalty program, see vol. I, Part 2, pp. 1379 ff.

Present safeguards against clandestine unconventional attack provide little security—whether in the area of port security, atomic material, use of the mails, air traffic, or diplomatic shipments.

The "minimum standards" executive order provides the basis for safeguarding classified information, but the program for personnel clearance for access thereto awaits another executive order, as well as decision with respect to standards for making classified information available to Americans outside the government and to foreigners.

Editorial Note

On November 7 James S. Lay, Jr. submitted to the National Security Council a three-volume study entitled "Current Policies of the Government of the United States of America Relating to National Security". In a covering memorandum, Lay wrote that "These volumes have been assembled for the information of the President and the President-elect in order to present briefly the current policies of the United States relating to the national security as approved by the President upon the advice of or acting with the National Security Council."

Volume I was entitled Geographical Area Policies; Volume II, Functional Policies; Volume III, Organizational Policies. In Volume I, each section normally contained three parts for each geographic area, a Central Intelligence Agency intelligence estimate, a current statement of policy, and a summary of principal developments in the implementation of policy, prepared by the responsible departments or agencies in each case. Volumes II and III contained only the second and third parts for each section. Texts of policy decisions were taken, with minor editorial changes, from official Council reports and memoranda. The source of each policy statement, the date on which each report or memorandum was approved, and the security classification of each policy, was indicated under the policy titles.

In conclusion, Lay noted that all statements on policy implementation had been formally coordinated "at the working level within and between the departments and agencies responsible for their implementation, but they cannot be considered as cleared, formal, or complete statements." The three-volume study is in the Truman Library, Truman papers, PSF-Subject file.

PPS files, lot 64 D 563, "Natl Sec (civil defense)"

Paper Drafted by Paul H. Nitze and Carlton Savage of the Policy Planning Staff [1]

TOP SECRET [WASHINGTON,] November 11, 1952.

Problem

To establish an Early Warning System for detecting the approach of hostile aircraft to the United States.

Discussion

It has been estimated that if the Soviet Union should drop 500 or more [2] atomic bombs [3] on targets in the United States, our ability to recover from the attack would be destroyed. In a few years the Soviet Union will have enough atomic bombs and the means to deliver them to launch such an attack.

To prevent a national tragedy of this sort, it is clear that the United States must develop a combined system of air defense and civil defense. One of the prime factors in this defense is early warning of the coming of enemy planes. Without an early warning the loss of civilian life from a saturation atomic raid would be staggering, with consequent loss to national morale and capacity for carrying on a war. Early warning is essential also for military purposes to preserve our retaliatory capacity and put our defensive forces into action. Furthermore, early warning is essential for the success of joint civilian-military actions such as a civil defense program, industrial security program, stockpiling, and navigational counter measures designed to prevent the enemy from homing on prime targets.

Our current warning capabilities are inadequate. [4] However, new developments now make it possible to establish an adequate early warning system at a cost so small that it need not interfere seriously with existing military programs. Project East River [5] states in its report of June 26, 1952 that "There are no serious technical obstacles to prevent us from detecting a Soviet airborne attack soon after the airplanes leave their own bases." It recommended that the Department of Defense undertake to provide for detection of an enemy airborne attack at a distance not less than 2,000 miles from the continental limits of the United States with resulting early warnings.

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[1] A covering memorandum from Savage to Nitze reads: "Here is the redraft of the Early Warning paper. I should think that before this case is presented to the President, some appropriate agency should prepare as an annex an estimate of proposed expenditures over the next four years with more definite information of what performance might be expected with the inauguration of the early warning system. So far as I am aware, this has not yet been done. I do not believe it is customary to have budgetary commitments without some more precise information of this nature." Although this memorandum would seem to indicate that Savage had alone been responsible for drafting it, Nitze's name does appear upon it as a codrafting officer. The "Early Warning paper" under reference would seem to indicate that this paper was a redraft of an earlier Department of Defense paper on the subject. See footnote 3, p. 142.

[2] The handwritten word "nominalized" [?] is on the source text at this point.

[3] The handwritten phrase "or a smaller number of modern atomic bombs" is on the source text at this point.

[4] The typewritten words "and obsolete" have been stricken from the source text at this point.

As a consequence of new technical developments, it is estimated that $250,000,000 per year would be sufficient to support an early warning system, that is, to provide for initial procurement and installation; to maintain and operate stations after they are installed; to extend the system progressively; and to permit a continual improvement program based on general technological advances in electronics and related fields. It is estimated that such an early warning system could possibly be in operation within two years if the initial funds for this purpose were made available immediately, and the necessary priorities and continuing support were given to the project.

An early warning system obviously is not the only element in a program necessary for the protection of the United States against atomic attack. Many other elements such as interceptors and guided missile defenses are also essential, as well as the military measures precedent to a manageable civil defense recommended by the East River Project. But while these other elements are being developed we should proceed rapidly with the establishment of an early warning system, which is the *sine qua non* of any program for the protection of the United States and which has significant effectiveness in itself.

The inadequacy of military measures precedent to a manageable civil defense and of our civil defense system, including early warning, constitute a startling weakness in our national defense at the present time. The Civil Defense Administration and the National Security Resources Board are unable adequately to plan their activities. Our civilians and our industrial establishment would suffer terrible losses as a consequence of enemy atomic attack.

On the other hand, an effective system of national defense would be a powerful deterrent to war; the enemy would be reluctant to strike if its blows would not be effective against us. Furthermore, an adequate defense would increase tremendously our security, add to our power position with respect to the Soviet Union, and give us a sounder base for speaking with assurance in international affairs.

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[5] Regarding Project East River, see footnote 2, p. 20.

Recommendations

1. That the Department of Defense be assigned responsibility to install and have operational an early warning system capable of giving three to six hours warning of hostile aircraft approaching the United States; that a target date of December 31, 1954 be set for the accomplishment of this mission; that all agencies and departments be directed to give full support to the Department of Defense as requested by it in accomplishing this mission; that $20,000,000 be made available immediately out of 1953 obligational authority; that additional amounts up to an aggregate of $100,000,000 out of 1953 funds be made available as additional elements of the program are worked out.

[2. That planning for and research and development work in connection with an air defense program proceed on the assumption that an early warning system will be operational in two years; and that progressively increasing effectiveness of the U.S. air defense capability is required.

3. That the Civil Defense Administration and the National Security Resources Board proceed in their planning on the assumptions that (a) the early warning system will be operational in two years, and (b) the air defense system will increase progressively in effectiveness from 25 percent in 1955 to 75 percent by the end of 1957.] [6]

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[6] Brackets in the source text.

PPS files, lot 64 D 563, "NSC 135"

Memorandum by the Director of the Policy Planning Staff (Nitze) to the Executive Secretary of the National Security Council (Lay) [1]

TOP SECRET WASHINGTON, November 13, 1952.

Progress Report, Re-examination called for by NSC 135/3 and NSC Action 668 [2]

1. Pursuant to your memorandum of September 4, 1952, [3] the Secretaries of State and Defense and the Director for Mutual Secu-

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[1] A covering memorandum of transmittal from Lay to the National Security Council dated Nov. 14 indicates that the memorandum was "by the Chairman of the Steering Group on the re-examination called for by subparagraph 9-a of NSC 135/1 submitted pursuant to NSC Action No. 668-b" and that it would be scheduled on the agenda of an early Council meeting. Nitze signed the memorandum as Chairman of the Steering Group. The memorandum, submitted as a Progress Report, was considered by the NSC on Nov. 26. See footnote 2, p. 209.

[2] NSC 135/3, Sept. 25, is printed on p. 142; regarding NSC Action No. 668, see footnote 7, p. 123.

[3] *Ante*, p. 126.

rity designated representatives to constitute a Steering Group for the preparation of materials necessary for the re-examination of the allocation of U.S. resources called for by NSC 135/3 and NSC Action 668.

2. On September 19 the Steering Group agreed upon terms of reference which called for division of work on the project into three parts: (1) An analysis of the broad allocation of our resources under present programs and of our security posture in 1954 and the immediately following period on the basis of present programs; (2) An indication of additional or different high priority programs which it would be desirable to undertake to meet the threats which face us, together with an estimate of the resources which would be required within the next few years to carry out these additional programs; (3) An analysis of the possibilities of undertaking these further programs by a reallocation of the planned present programs, as against the desirability and possibility of increasing the total resources available for meeting our national security programs. [4]

3. Regional working groups have been organized, with representatives from the departments and agencies concerned to prepare material for the Steering Group's consideration in accordance with the above terms of reference. Preliminary draft papers on Europe, the Far East, and the Middle East and Africa have been considered by the Steering Group. [5] Material relating to the defense of the Western Hemisphere and to U.S. offensive striking power and general military reserves is being prepared by appropriate agencies.

4. The Steering Group does not believe that in the present stage of work on this project a preliminary substantive report would be feasible or useful. The work has progressed sufficiently, however, to

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[4] See the paper prepared in the Department of State, Sept. 19, p. 127.

Beginning Dec. 3, 1952, preliminary draft papers based upon the terms of reference agreed by the Steering Group on Sept. 19 began to be issued under the title "Reexamination of United States Programs for National Security; Summary and Conclusions." In all, five drafts were completed by the end of the year. The last draft, issued on Dec. 31 by the Policy Planning Staff following discussions in and recommendations by the Steering Group, contains a handwritten notation: "Incorporated into final draft of 1-16-53." This reference is to NSC 141, "Reexamination of United States Programs for National Security", p. 209. Documentation on the five preliminary drafts of Dec. 3-31 is in PPS files, lot 64 D 563, "NSC 135 (December, 1952)".

[5] These regional papers all passed through either four or five drafts between September and December 1952 before emerging in final draft form between Dec. 21, 1952 and Jan. 6, 1953. They form the basis for Part Two of NSC 141. Copies of both the preliminary and final draft regional papers are in PPS files, lot 64 D 563, "Working Group Reports NSC 135".

warrant assurance that a report will be ready for NSC consideration before the January 1, 1953 deadline.[6]

PAUL H. NITZE

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[6] Attached to the source text was a briefing paper entitled "National Security Council work on allocation of U.S. resources (NSC 135)" which simply restated Nitze's presentation verbatim, but with the additional recommendation "That the President inform General Eisenhower of the work being undertaken in reexamination of the allocation of U.S. resources (NSC 135)." The 1952 national elections had taken place on Nov. 7.

Editorial Note

On November 18 President Truman and members of his staff met at the White House with President-elect Dwight D. Eisenhower and his advisers to discuss various aspects, issues, and problems concerning the first change in party administration in 20 years. During the course of discussion, national security policy was reviewed at some length. For documentation on this meeting and on the background and briefing papers, memoranda of conversations, and records of preliminary meetings and discussions within the Truman administration, see volume I, Part 1, pages 1 ff.

INR files, lot 59 D 27, "CIA Estimate of World Situation Through 1953"

Estimate Prepared by the Board of National Estimates [1]

TOP SECRET [WASHINGTON,] 21 November 1952.

Subject: Estimate of the World Situation Through 1954*

CONCLUSIONS

1. For the time being the worldwide Communist expansion has apparently been checked. There are indications that the USSR has recognized this situation and has been shifting to less openly aggressive tactics. Since Korea the Soviet bloc has undertaken no

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[1] A covering memorandum from Paul A. Borel, Executive Secretary of the Board of National Estimates for the Intelligence Advisory Committee, dated Nov. 25, reads: "1. The attached estimate, prepared by the Board of National Estimates, is forwarded for your information. It supersedes the previous Board estimate dated 18 April 1952 and circulated to you under memorandum dated 25 April. 2. Please note that this estimate has not been coordinated with the member agencies of the IAC." The Board estimate of Apr. 18 along with the covering memorandum of Apr. 25 is also in INR files, lot 59 D 27, "CIA Estimate of World Situation Through 1953."

* This estimate was prepared by the Board of National Estimates of the Central Intelligence Agency and has not been coordinated with the member agencies of the Intelligence Advisory Committee. It is based, in part only, on published National Intelligence Estimates. Hence the Board assumes full and sole responsibility for the contents of this estimate. [Footnote in the source text.]

new military adventures and it has not increased its aid to Communist insurrectionary movements during the last year. These changes are due in great part to the fact that the principal Western countries have grown politically, economically, and militarily stronger.

2. While the formerly widespread fear of imminent global war has notably lessened, the Soviet leaders have not moderated their hostility toward the free world. No general settlement between the Bloc and the free world is in prospect, nor any substantial Soviet concessions. No new indications of weakness have appeared in the Soviet Bloc; on the contrary it grows stronger. The Kremlin continues to expect an ultimate victory over the capitalist world.

3. We believe that the outlook is for a continuation of Soviet efforts to undermine and destroy the non-Communist world by cold war tactics. The Communists will resort to armed aggression and to armed revolt by indigenous Communist parties when they believe these courses of action are the best means to achieve Communist objectives. If the growth of free world strength and unity continues, however, the Communists will probably place greater emphasis upon "united front" tactics and upon propaganda and diplomatic moves designed to split the Western allies and to promote dissension within non-Soviet countries.

4. Thus, great danger to the free world during the period of this estimate will lie in political and economic difficulties and divisions within the free world itself which would check the development of free world unity and strength and lend themselves to Communist exploitation.

5. We believe it unlikely that the Kremlin will deliberately initiate general war during the period of this estimate. However, there will be continuing grave danger that general war may arise from a series of actions and counteractions in a situation which neither side desired to develop into general war.

I. The Strengths and Weaknesses of the Soviet Bloc

A. Political

6. The Soviet regime is firmly entrenched in power, and there is no apparent prospect of its control being threatened or shaken. Internal stresses and strains appear less serious now than ever before. Such rivalries and policy disagreements as may exist are unlikely to affect the unity and resolution of the regime.

7. Soviet control over the European Satellites, now virtually complete, will probably be maintained through the skillful and experienced use of military and police power and through political and economic controls. The popular discontent now present will persist

and perhaps increase, but will probably not develop into more than a minor impediment to the Soviet program.

8. The Chinese Communist regime has firm control over mainland China, and there is little likelihood of this control being threatened by domestic forces. Unlike the European Satellites, Communist China is not directly and completely controlled by the Kremlin. The Chinese Communists have retained some capacity for independent action and for influencing the shaping of Communist policy in the Far East. Both the Chinese and Soviet leaders apparently view their present relationship as advantageous, and appear to recognize that neither side can substantially change the nature of their relations—by the USSR attempting to establish complete domination over China, or by Communist China asserting complete independence of the USSR—without jeopardizing the attainment of its own objectives.

9. Outside the Bloc, the Communists' political strength derives mainly from the international Communist movement, the appeal of Communist doctrine, and the power and size of the Bloc itself. Bloc size and strength generate fear and defeatism, especially among those unable to defend themselves. Communist doctrine is used both as an inspiration to the faithful and an appeal to the frustrated. Through the international Communist movement and through front organizations under its control, the Soviet leaders are able to exploit weaknesses and divisions throughout the non-Soviet world in the furtherance of Communist objectives.

B. Military

10. Soviet Bloc military strength, already formidable, will continue to increase. The modernization program in the Soviet military services will continue. Special emphasis will continue to be placed on weapons of mass destruction and upon defense against such weapons. By mid-1955, the USSR will probably have about 300 atomic bombs (30–100 Kiloton yield);† it may have a thermonuclear weapon; it will have developed improved methods for delivering these weapons against the U.S. and its allies. Soviet air defenses, already substantial, will probably further improve.

11. In the European Satellites and in Communist China, programs for the improvement of military strength are also going forward. In the Satellites, the emphasis is on expansion and equipment of conventional forces and will result in a substantial addition to Soviet military strength in Europe, offsetting, at least in part, the growth of Western strength. In Communist China, empha-

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† The actual figure may be from one half to twice as great as the figure given. This estimate is currently under review. [Footnote in the source text.]

sis is on re-equipping existing forces, and their combat effectiveness is likely to increase.

C. Economic

12. We estimate that by 1951 the gross national product of the USSR was 20 to 30 percent above the prewar level, and that it is now increasing at an annual rate of 6 to 7 percent. Soviet production constitutes about 60 percent of the total production of the Bloc, including Communist China. In 1951 the combined gross national product of all Bloc countries was less than one-third that of NATO countries, and the Soviet gross national product was about one-fourth that of the U.S.

13. Since the end of World War II, the Bloc as a whole has devoted a much larger proportion of its gross national product to military purposes than the West. We believe that the USSR now devotes about one-fifth of its national product to military expenditures. Traditionally low living standards and the controls prevailing within the Bloc enable the Bloc states consistently to assign to military purposes a much larger proportion of total output, particularly of scarce materials and goods, than is feasible in Western countries. Furthermore, the Bloc is able to assign a higher proportion of its military outlay to actual munitions production than is done in the West.

14. The Soviet economy is organized with a view to possible hostilities in the near future as well as in the more remote future. These two objectives compete to some extent in the allocation of resources. The Kremlin places a high priority upon stockpiling reserves, not only of military end items but of food, capital equipment, and materials needed for maintaining the economy under wartime conditions or other emergencies.

15. The Bloc could increase its exports to the non-Communist world within the period of this estimate. We estimate that even a slight increase of trade with the non-Communist world would constitute an important political warfare weapon and might obtain for the Bloc some critical equipment and materials now difficult or impossible for it to obtain.

16. The USSR is engaged in a large-scale research and development program. This includes both pure and applied research, with an emphasis upon applied research in fields of military application, especially atomic energy, electronics, jet aircraft, guided missiles, and submarines. In all of these fields, Soviet scientists and technicians have demonstrated a high level of proficiency.

II. The Strengths and Weaknesses of the Free World

A. General

17. The military and economic power of the United States, and its political and moral influence, still constitute the principal center of strength and leadership for the free world. The manner in which the U.S. utilizes its power will greatly influence the extent of progress which can be made in developing resolution, a common purpose, and strength within the free world. There is in the rest of the free world a substantial reservoir of political and economic strength and a growing realization of the threat which Soviet military power and political ideology pose for the national interests and aspirations of all peoples.

18. However, the existence of varying interests and aspirations among the peoples of the free world, though in many respects an element of strength, also makes the free world subject to divisive influences. In particular, conflicts have been created in important world areas by the rise of nationalism, much of it anti-Western. Within some areas, a low standard of living, an inflexible social structure, and ineffective leadership have hindered the growth of internal strength and have exposed those areas to Communist and extremist pressures.

19. In many parts of the free world there is also resentment, fear, and distrust of the United States itself. In some quarters there is fear that the U.S. will precipitate a general war and leave various countries unprotected after doing so. There is resentment over U.S. trade policies. There is a feeling among many of the dependent and semi-dependent people's that the U.S. is supporting the colonial powers. Despite their appreciation of the importance of the U.S. to their survival and a desire for continued U.S. economic aid, many countries are unhappy over the need to ask for U.S. help, the made-in-America label on the aid when it is forthcoming, and the open or implied U.S. requirement for support to U.S. policy in return.

B. Western Europe

20. During the period of this estimate Western European political and economic strength will probably increase. The movement toward continental integration and toward strengthening the NATO structure will probably make further progress. Ratification of the European Defense Community agreements and creation of some form of limited European political authority are likely. There will almost certainly be some increase in NATO rearmament, including a start toward a German defense contribution, though not as rapid as currently planned. Over-all Communist strength in

Western Europe will probably continue to decline, but the French and Italian Communist parties will retain substantial propaganda and subversive capabilities and significant political strength.

21. However, progress toward the U.S. objective of an economically viable and militarily defensible Western Europe will still be beset by numerous political and economic problems and Europe will remain in need of U.S. leadership and material support. The difficulties involved in achieving effective action by a coalition will almost certainly weigh heavily on the military program. Moreover, even with U.S. aid, the European NATO members probably will not meet current NATO goals. The allocation of a sufficiently large share of resources to rearmament will continue to be prevented by the political weakness of continental governments and their reluctance to adopt more effective tax systems and anti-inflationary controls. Inflation and other economic difficulties, together with a growing feeling that the Soviet threat has diminished, will increase the political pressures on Western European governments for curtailment of the rearmament program.

22. Present indications are that West Germany will become a full member of the European Defense Community sometime in 1953. Despite Soviet exploitation of neutralist and unity sentiment in West Germany, most West Germans now appear to recognize that unity on anything but Soviet terms is currently almost impossible, and that Germany should join the Atlantic Community. However, Soviet maneuvers, West German bargaining tactics, and French fears of German dominance in Europe will probably delay West German rearmament.

23. French economic and political instability appears likely to continue for some years to come, and, as a result, France will almost certainly be unable to meet its current NATO commitments while simultaneously maintaining a major effort in Indochina. However, France almost certainly will remain firmly aligned with the Atlantic Community.

24. In Italy, the present coalition, led by the Christian Democrats, will probably win the 1953 elections by a narrow margin, but it appears unlikely that Italy will develop during this period sufficient economic or political strength to be anything more than a weak ally.

25. The UK will remain the most important European member of the Atlantic Community. Nevertheless, the UK will continue to be under severe economic pressure, and the government may be compelled further to reduce its rearmament goals.

26. The Berlin situation will continue to be a potentially explosive one. Because the Kremlin continues to aim at the expulsion of the Western Powers, the Soviet and East German governments

almost certainly will continue to apply pressures upon the Western sectors of the city.

C. North Africa, the Middle East, and South Asia

27. The principal reaction of the Middle East to the impact of Western civilization and the international political situation is a developing nationalism which is both critical and imitative of the West. Demands for political and social reform are increasing. The nature and rate of these developments have varied from country to country. In some, the colonial powers or the traditional ruling classes (large landowners, tribal sheiks, and professional politicians) have retained control of the governments and made only minor concessions to nationalist and reformist demands. In others, Westernized or semi-Westernized urban elements have seized the political initiative. Simultaneously, a revival of Islamic traditionalism is fostering resistance to everything Western.

28. Although in most of these countries communism is not likely to become a threat, at least during the period of this estimate, a gradual and evolutionary political change in response to the new situation seems unlikely. Political change will probably be uneven and spasmodic and is likely to be accomplished by *coups d'ètat*, assassinations, and other revolutionary and semi-revolutionary processes, accompanied by increasing authoritarianism.

29. There are, however, some countries in this area—Greece, Turkey, Israel, Pakistan, and India—where there are more stable regimes less susceptible to violent change. Greece, despite recurrent Cabinet crises, has virtually eliminated the internal Communist threat. Turkey has demonstrated a capacity for peaceful political change and is moving toward political democracy on Western lines. Israel, while confronted with economic difficulties and the problem of integrating peoples of varying cultural backgrounds, will continue to be relatively stable. India and Pakistan—though troubled by disputes between themselves, disturbed by social discontent and economic evolution, and vulnerable to Communist infiltration and subversion—nevertheless have accomplished major political revolutions and are engaged in consolidating and stabilizing their new societies.

30. In Egypt a revolutionary *coup d'ètat* under the auspices of young army officers has displaced the traditional ruling class. The new group appears honest, energetic, and genuinely intent upon building a new and better society. They have also given indications that they are prepared to cooperate with the West. It is still unclear whether the present moderate leadership can retain control over the military junta, whether it can cope with counterattacks by the traditionally-dominant elements, and whether it can make suf-

ficient progress in solving Egypt's social and economic problems to prevent disillusionment.

31. The principal center of instability is Iran. The traditional ruling classes have lost the initiative to the National Front, which is an uneasy coalition of secular urban groups and religious fanatics temporarily united by a desire to rid the country of foreign influence. The Communists have gained strength, but are not yet capable of seizing power. The oil dispute has intensified nationalist and anti-Western feelings and aggravated economic weaknesses. Regardless of the outcome of this controversy, instability will probably continue, with a Communist seizure of power remaining a possibility.

32. In French North Africa, growing nationalism conflicts with French determination to retain control. French concessions to North African nationalism probably will forestall serious trouble for the next several years, but the nationalists will remain unsatisfied. The problem of North Africa will remain a source of friction among the non-Communist states which the Communists will exploit.

33. Western military strength in the Mediterranean area will be increased by growing Turkish military capabilities and by the development of Western bases in Libya, French North Africa, and Cyprus. Nevertheless, the free world military position in the Middle East as a whole is likely to remain weak. Because of suspicions of Western motives and rivalries within the area, it will be difficult to establish a Middle East defense organization. Even if this organization is established, the countries of the area will be unable to contribute significant forces to its support, and will continue to resist the stationing of Western forces in their territories.

D. The Far East

34. The rapid postwar expansion of Communist influence in the Far East appears to have been checked at least temporarily. Some non-Communist governments have increased in strength and stability. However, the area remains vulnerable to further Communist exploitation because of the widespread sentiment against "Western imperialism," the desire for "national independence" and improved economic status, and the ineffective leadership of most non-Communist Far Eastern governments. Communist capabilities for exploiting the situation in the Far East derive largely from the prestige and military power of Communist China and the USSR, as well as the disciplined energy and, in some cases, the armed strength of local Communist parties.

35. The chief overt threat to established non-Communist governments in the Far East has been from armed insurrections, most of

them Communist-led "armed liberation" movements. It now appears that the "armed liberation" movements have been reduced in effectiveness or stalemated. In Burma the government has recently gained new stability and is moving vigorously against the insurgents. In the Philippines and Malaya, the Communist guerrilla movements have been contained, but the Indonesian government continues to be threatened by political factionalism and various insurrectionary movements. In none of these areas has armed resistance been eliminated, and it will continue to place a strain on government energy and resources.

36. In Indochina the situation is one of political and military stalemate. No decisive shift in the balance is likely during the period of this estimate. The French military effort in that country constitutes a heavy drain on the resources of metropolitan France. We believe that the French will continue their commitment in Indochina at approximately the present level, but will attempt to transfer to the U.S. the burden of any increasing costs or additional effort.

37. In Korea, the Communists have the capability of launching a large-scale offensive virtually without warning. We believe that the Communists will protract the armistice negotiations so long as they consider that they can continue to gain political and military advantages from the situation in Korea and so long as they estimate that a continuation of the Korean war does not involve grave risk of global war. Even if an armistice is concluded, Korea will almost certainly remain an area of grave danger, and the object of intensive Communist political warfare.

38. The emergence of Japan as a Far Eastern power aligned with the West has contributed greatly to strengthening the non-Communist position in that area. During the period of this estimate, Japan will almost certainly maintain its present alignment with the West and will probably make gradual progress with its rearmament. In the long run, however, Japan's continued association with the Western powers will depend largely upon whether Japan's serious economic problems can be solved in cooperation with the West. If they are not so solved, the Japanese may be compelled to seek closer political and economic relations with the Communist Bloc in order to obtain the trade Japan requires.

E. Latin America

39. The traditional social order in Latin America is disintegrating. This process has produced political instability more profound than that which in the past characterized the personal politics of Latin America. The political trend is toward extremely nationalistic regimes based on support by the depressed masses, of which the

Peron regime in Argentina is the prototype. The numerical strength of the Communists has declined, but the Communists, operating through various fronts, can readily exploit the social unrest and ultra-nationalism already existing in the non-Communist population. Both Communists and extreme nationalists seek, by propaganda and intrigue, to curtail Latin American cooperation with the United States.

40. For the period of this estimate, the present degree and scope of Latin American cooperation with the United States is likely to remain basically unchanged. In particular, Latin American strategic raw materials will continue to be available, but the governments concerned will seek to drive hard bargains in terms of price and economic concessions, including allotments of goods in short supply. The Communists are unlikely to gain direct control of any Latin American country. There is, however, a trend toward the development of a bloc of ultra-nationalistic, isolationist South American states. Eventually, this development may adversely affect, not only U.S. interests in Latin America, but also the strength and unity of the free world.

III. Probable Soviet Estimate of the Situation and Probable Communist Courses of Action

41. We believe that all Kremlin policies and courses of action are directed toward the attainment of the Kremlin's long-range objective of a Communist world dominated by Moscow.

42. Soviet Bloc strength has improved greatly since the end of World War II. Despite this increase in strength, the Kremlin almost certainly estimates that general war would be a gamble, involving at a minimum widespread destruction in the Bloc and the risk that the Kremlin's system of control would be destroyed.

43. The Kremlin almost certainly estimates that the states of Western Europe are now more stable than at any time since World War II; that the position of most non-Communist states in Asia is somewhat stronger than in 1950; that progress has been made toward the unification and rearmament of Western Europe and toward improving the West's defenses in the Pacific; and that the U.S. has made great strides toward developing its economic and military power and toward providing leadership for the West. Moreover, the Kremlin probably estimates that the West is making rapid progress in the development and production of new weapons.

44. However, the Kremlin almost certainly estimates that opportunities remain for continued progress toward its long-range objective without resort to general war. It probably estimates that:

a. The growth of Bloc economic and military power will increase Bloc prestige and influence throughout the non-Communist world.

b. The non-Communist great powers, aside from the U.S., are much weaker than they were before World War II.

c. The economies of the non-Communist states are highly vulnerable to depression and inflationary crises, which would have serious social and political repercussions.

d. Future developments, such as the revival of West German military power, the intrusion of German and Japanese products into export markets now dominated by other states, and conflicting tariff and trade policies, will undermine, if not destroy, Western political unity and the foundations of Western prosperity.

e. Opportunity exists for weakening the position of the Western powers and strengthening the position of Communism by exploiting the discontent and nationalist aspirations in Asia, Africa, and Latin America.

45. The Kremlin almost certainly estimates that the divergent interests of the Western Powers will sooner or later weaken or destroy their present unity. It probably also believes that no international organization which does not have the centralized leadership and control which the USSR provides the Bloc can survive the strains and pressures of modern political warfare.

46. We believe that the outlook is for a continuation of Soviet efforts to undermine and destroy the non-Communist world by cold war tactics. The Communists will resort to armed aggression and to armed revolt by indigenous Communist parties when they believe these courses of action are the best means to achieve Communist objectives. If the growth of free world strength and unity continues, however, the Communists will probably place greater emphasis upon "united front" tactics and upon propaganda and diplomatic moves designed to split the Western allies and to promote dissension within non-Soviet countries.

47. Thus, great danger to the free world during the period of this estimate will lie in political and economic difficulties and divisions within the free world itself which would check the development of free world unity and strength and lend themselves to Communist exploitation.

48. We believe it unlikely that the Kremlin will deliberately initiate general war during the period of this estimate. However, there will be continuing grave danger that general war may arise from a series of actions and counteractions in a situation which neither side desired to develop into general war.

PPS files, lot 64 D 563, "NSC 79, 1952"

Memorandum by the Counselor (Bohlen) to the Director of the Policy Planning Staff (Nitze)

TOP SECRET WASHINGTON, December 19, 1952.

PAUL: I understand Louis Halle is making certain revisions in the NSC 79 draft in the light of the discussions which we have had and those with the Secretary. [1] When that is completed, which I understand will be at the beginning of next week, we might get together on the whole business. There is, as I see it, apart from the question of the substance of the new draft, one chief point for decision— namely, what form of NSC action are we shooting for at this stage. In this connection, I am attaching a memorandum which has been prepared for me giving the record on this 79 project. You will note that it originated with a JCS request for more clear-cut U.S. objectives than could be found in either 20/4 or NSC 68. I feel therefore that the paper that we submit at this stage and the course of action to be followed thereafter in the NSC must have some relationship to the original purpose for which the project was listed. My suggestion would be that once we have agreed on the substance of the present memorandum that it should go to the Steering Committee in relation to the 79 item for consideration as to whether or not in the light thereof a policy paper for NSC Council adoption could be worked out. If the decision is that it should be, then I would suggest that it be returned to State (to S/P) for development since as you will see from the composition of the originating committee set up in 1950 there are many agencies represented thereon who would not be able to contribute much to a policy paper on this subject. Another alternative would be for us to suggest that an interdepartmental committee of State, Defense and CIA be set up to develop a policy paper from this draft. A third, which I will admit that I favor, would be a discussion and elaboration by the Steering Committee or a special group of the Halle draft not with a view to developing a policy paper but to examining further the elements of the problem treated in the Halle draft. Of course, there remains the transmission of this paper for information with a suggestion that the item be cancelled as unsuitable at this time for a NSC policy decision.

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[1] This draft has not been further identified.

The NSC 79 project was initiated on Aug. 25, 1950, with a JCS paper entitled "U.S. and Allied War Objectives in the Event of Global War". That paper, designated NSC 79, was circulated to the National Security Council and subsequently referred to the NSC Senior Staff for preparation of a final report. For text of NSC 79 and related documentation, see *Foreign Relations*, 1950, vol. I, pp. 390 ff.

In a memorandum of Apr. 28 to Nitze, Bohlen noted that the NSC 79 project had been "carried on the NSC books for over a year" and had "been the subject of frequent inquiries especially by the Defense Members of the NSC Staff." In a reply the following day, John Ferguson, the Deputy Director of the Policy Planning Staff, stated that there was a feeling among the Staff "that this project should not be cancelled, difficult as it is to prepare a thoroughly satisfactory paper" and Ferguson promised that the Policy Planning Staff would discuss the project at an early meeting and report to the Senior Staff soon. Ferguson added that "I am fairly sure Paul [Nitze] will want to take another crack at this matter and I think we should raise it with him and see whether the time has not come to make one more effort to draft a paper." The two memoranda here referenced are in PPS files, lot 64 D 563, "NSC 79".

On Sept. 24, Acheson, Bohlen, Nitze, and several other officials of the Department of State discussed the problem of outstanding projects before the NSC and the discussion swiftly focused on "NSC 79 'Conditions for a Peaceful Settlement with the USSR' and 'United States and Allied War Objectives in the Event of Global War' ". Following a lengthy comment by Bohlen on the difficulty of drafting a satisfactory report on these topics, Acheson "said that, while he had no sympathy with those on the NSC Staff who placed undue stress on the importance of a paper for its own sake and, while he recognized the obvious difficulties involved in drafting a paper on war aims, nonetheless, it might be advisable to set down such a series of alternative objectives." Nitze "agreed to undertake the responsibility for attempting to draft such a statement of objectives but pointed out that he would need the Secretary's personal help in such a project" which Acheson promised to give. The discussion was summarized in a memorandum for the files by Christopher Van Hollen, Sept. 24, 1952 in S/S-NSC files, lot 63 D 351, NSC 79 Series.

The foregoing are merely suggestions which you could be thinking over prior to the meeting next week when the revised paper is finished.

C.E.B.

[Enclosure]

Memorandum Prepared in the Department of State [2]

TOP SECRET [WASHINGTON, undated.]

1. NSC 79 project started with a memorandum dated 22 August 1950 to the Secretary of Defense from the Joint Chiefs of Staff. This memorandum called for "clear-cut United States objectives in the event of war" to serve both as a basis for military planning, "both prior to and during hostilities, in order to provide that our military efforts are directed toward the winning of the ultimate peace as well as to the winning of the war." Such a statement should also insure that our military operations will be supported by our allies and the American people. It stated further that neither 20/4 or NSC 68 were adequate for the purpose. The Joint Chiefs recommended that such a statement be developed in the NSC. The Secretary of Defense forwarded this memorandum to the

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[2] The source text does not indicate the identity of the drafting officer nor the date on which the memorandum was drafted.

Executive Secretary of the NSC and supported the request of the Joint Chiefs.

2. On September 6 the Senior Staff (a) approved a memo to the National Security Council advising it of the Staff's decision to prepare for consideration by the Council a draft report on the subject to include both a statement of war objectives in the event of global war and such related questions as a statement of the conditions that the U.S. would be willing to accept for a peaceful settlement with the USSR and its satellites; (b) constituted the following *ad hoc* group of assistants to undertake preliminary work on the project: Department of State—Mr. Paul Nitze, Chairman, Department of Defense—Mr. James T. Hill, NSRB—Mr. T. G. Lamphier, Jr., Treasury Department—Mr. C. D. Glendinning, Joint Chiefs of Staff—Rear Admiral Leslie C. Stevens, Central Intelligence Agency—Mr. DeForest Van Slyck, NSC Staff—Mr. S. E. Gleason; (c) agreed that after preliminary exploration of the problem by the *ad hoc* group, the State Department Policy Planning Staff should prepare the first draft of a report in the light of the discussion by the *ad hoc* group.

3. On October 2 the Senior Staff "agreed to establish November 15, 1950 as the target date for completion of a report on the subject for consideration by the National Security Council."

4. On October 6, 1950 the Steering Group under Mr. Nitze's chairmanship met for the first, last and only time.

5. On February 23, 1951 the Senior Staff "Discussed the status of the NSC 79 project, agreed that it should be divided into two projects, as follows, and that the second project should be completed as a matter of priority: (1) A statement of U.S. and allied war objectives in the event of global war. (2) A statement of the conditions that the United States would be willing to accept for a peaceful settlement with the USSR, including a plan for the reduction and regulation of armaments and armed forces."

6. In July of 1951 the Council and the President approved NSC 112 entitled "Formulation of United States Position with Respect to a Regulation, Limitation and Balanced Reduction of Armed Forces and Armament." [3]

7. Some time in the fall of 1951 a note was taken in the Status of Projects of the fact that Council's action and the work in Paris at the General Assembly on NSC 112 was a partial response to that part of 79 calling for a statement for "conditions for a peaceful settlement with the USSR."

8. Some time last spring Jimmy Lay suggested carrying in the Status of Projects the statement that these NSC 79 projects were

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[3] For documentation on NSC 112, see *Foreign Relations*, 1951 vol. I, pp. 443 ff.

awaiting reexamination by the Senior State Member with a view to expediting their completion or proposing their cancellation.

PPS files, lot 64 D 563, "NSC 79, 1952"

Paper Drafted by Louis J. Halle of the Policy Planning Staff[1]

[Extract]

TOP SECRET [WASHINGTON,] December 29, 1952.

UNITED STATES AND ALLIED WAR OBJECTIVES IN THE EVENT OF GLOBAL WAR

. . . .

SUMMARY OF CONCLUSIONS

1. Our present conflict with the Soviet Union cannot be definitively ended in our favor short of the elimination or radical modification of the Soviet regime. While this would be the most desirable outcome, our national interest might be adequately secured by success that fell short of this absolute attainment. It could not be set as an objective of the conflict itself, moreover, in the absence of global war, without strongly implying that our national interest requires global war, which would be contrary to our basic policy of averting war.

2. A global war would represent a phase of the present conflict which was not necessarily final. Our prime objective in that phase would be to achieve the greatest possible improvement of our position in the conflict, subject to the overriding requirement that the cost be less than the destruction of the elements of our own civilization.

3. Our immediate war-aims would be (first) survival through strategic defense, and (second) assurance of survival through victory.

4. We would work for the re-establishment, after the elimination of the Soviet system, of a world of diversity in which all nations could enjoy reasonable scope for development in accordance with their respective needs and dispositions, under the protection of an effective rule of law that insured their peace and security.

5. Such a rule of law would require the establishment of a world authority equipped to enforce minimum standards of behavior on the nations, which authority would prescribe what military forces

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[1] This paper was the latest product of the ongoing project initiated by NSC 79 of August 1950. See the memorandum by Bohlen with enclosure, Dec. 19, 1952, *supra*.

each nation might maintain, and what forces, if any, each should hold available to it for enforcement action.

6. The United States, while subject to the authority, might expect to have, as the preponderant power in the world, the leading role in its direction; but its position of leadership would be held as trustee for the entire world community of nations, and its special responsibility would have to be discharged on behalf of that community in order for it to count on the community's continuing consent to its leadership.

7. With respect to Russia, our objective after the elimination of the Soviet regime and system would be its replacement by a respectable native regime with which we could conclude a genuine peace of mutual agreement, leading to its full participation in the organization of the post-war world. This would require us to limit the identification of our enemy in the war to the Soviet regime and system, eschewing any doctrine of national or popular guilt.

8. A genuine peace with a Russian successor government would have to preserve Russia's essential territorial integrity and should leave Russia (like any other country with respect to which such determination could be made) neither too strong for the security of others nor too weak for the discharge of its proper responsibilities in the world. This suggests that Russian territory might well be retracted at least to the 1938 borders of the Soviet Union. The post-war status of the Baltic states cannot now be determined, but there is no occasion for the United States to change its present official position of recognizing their right to independence. The post-war status of the Ukraine, White Russia, and the other territories occupied by "minor nationalities" should, for the most part, be determined between them and the successor government of Russia as an essentially domestic matter. We should refrain from committing ourselves to their independence or quasi-independence, we should refrain from guaranteeing them the opportunity of self-determination, and we should refrain also from committing ourselves to their continued association with Great Russia. In sum, we should not make ourselves responsible for determining or maintaining their post-war status. [2]

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[2] On Jan. 14, 1953, S. Everett Gleason, Acting Executive Secretary of the NSC, transmitted to the senior Defense, Joint Chiefs of Staff, and Central Intelligence Agency members of the NSC Senior Staff a preliminary draft report on the subject of U.S. and Allied war objectives in the event of global war prepared pursuant to the record of the NSC Senior Staff meetings of Sept. 6, 1950 and Feb. 23, 1951 by the Policy Planning Staff of the Department of State. A copy of the memorandum of transmittal is in S/P-NSC files, lot 62 D 1, NSC 79 Series. The preliminary draft report is not attached; presumably it was the paper printed here.

Continued

PPS files, lot 64 D 563, "Chronological, 1953"

Memorandum by the Director of the Policy Planning Staff (Nitze) to the Secretary of State

TOP SECRET [WASHINGTON,] January 12, 1953.

Subject: Re-Examination of United States Programs for National Security

The attached report [1] has been prepared by the Steering Group composed of Mr. Nash, Mr. Bissell, and myself. Although I felt able to approve the report, I would like to comment on what I believe to be its shortcomings. Despite its inadequacies, the report is, I think, useful and can serve as the basis for a discussion by the NSC of the major respects in which our security programs need to be adjusted.

A. Questions Involving Atomic Energy

1. *The Atomic Equation*

The tone of the report does not reflect my own serious concern about the implications of atomic developments. A careful reading of the report (part II, p. 64, paras. 99a, b, and c, and Part I, p. 27, paras. 22a, b, and c, and p. 29, Conclusion (a)) will perhaps lead the reader to draw these implications, but I wish they might have been stated with emphasis.

For some time to come (perhaps indefinitely assuming a continuation of present programs), the United States will be heavily dependent on the atomic threat to deter the Soviet Union from attempting to expand into areas of vital importance, and on the strategic use of atomic weapons if it is to achieve military victory in the event of general war.

The only documentation found in Department of State files pertaining to the NSC project after Jan. 14, 1953 is a 40-page draft paper on U.S. war objectives written by Halle and dated Feb. 20, 1953. There is no indication as to whether this paper represented a further elaboration of the Dec. 29 report or if it was drafted at the formal request of any individual, staff, agency, or bureau. A copy of the Feb. 20 report is in PPS files, lot 64 D 563, "NSC 79". The NSC Planning Board resumed consideration of the war objectives project in the spring of 1953 and incorporated it into the NSC 153 Series of June 1953. NSC 153/1, June 10, 1953, is printed on p. 378.

[1] Reference is to a 134-page paper entitled "Reexamination of United States Programs for National Security", dated Jan. 6, 1953, not printed, which incorporated both the draft regional papers of September–December 1952 discussed in footnote 5, p. 185, and the draft papers entitled "Summary and Conclusions" of Dec. 3–31, 1952, discussed in footnote 4, *ibid.* The Jan. 6 paper was a preliminary draft of NSC 141, extracts from which are printed on p. 209. A covering memorandum to the Jan. 6 paper from Philip H. Watts of the Policy Planning Staff to James S. Lay, Jr. indicates that three copies of the paper were transmitted to the National Security Council and that "Copies have already gone forward to Defense and to Mr. Harriman's Office." The Jan. 6 paper and the covering memorandum, dated Jan. 7, are in PPS files, lot 64 D 563, "NSC 135".

The report raises a doubt whether our net capability to injure the Soviet Union is increasing (the increasing defensive capability of the Soviet Union may be offsetting our increasing offensive capability). The report makes clear, on the other hand, that the net capability of the Soviet Union to injure the United States must already be measured in terms of many millions of casualties and many billions of property damage, and is rapidly increasing.

This leads me to question whether the U.S. Government will be willing to use the atomic threat or to follow through on it in the event of any Soviet move short of direct atomic attack on the United States. We may find that Soviet moves which we now think we would regard as *casus belli* will not, in the event, lead us to threaten or initiate the use of atomic weapons. To the extent that our view of what constitutes a *casus belli* does in fact change, we become less able to avoid such cumulative cold war losses as might spell eventual defeat.

I do not think that there is, even now, a general understanding in the U.S. Government that vulnerability to Soviet attack may prevent SAC from ever leaving the ground; nor that our ability to penetrate Soviet defenses is not increasing any faster, if as fast, as Soviet defensive capabilities.

2. *Vulnerability of our Allies to Atomic Attack*

I do not think that we have yet thought through the implications of the vulnerability of our allies, particularly our Western European allies and Japan, to Soviet atomic attack. Because of their proximity to Soviet bases, it is probably impossible for them to develop an effective defense, if only because the best early warning system could not provide much warning. It seems to me that this has implications in a struggle between democratic societies and a totalitarian system which are ominous, and which we have not really faced.

I recognize that this is a subject of utmost delicacy—and that it might easily lead the faint of heart to unwarranted conclusions.

Yet it does seem to me that somewhere in this Government there should be a frank recognition of these implications—for the survival of the nation may depend upon our preparedness to deal with a situation in which these allies are simply not willing to face a Soviet threat.

3. *Relation to Requirements for Conventional Forces*

The report does not deal with the significance of growing Soviet atomic capabilities on the changing nature of the requirements of United States military forces. I am concerned, for example, that we have not provided for adequate dispersion of air fields and that we are not developing the new logistic techniques which are necessary in light of Soviet capabilities to attack ports. There are surely many other implications for force, base and other requirements, including requirements for the development of new tactics and techniques.

Above all, however, it seems to me that we must consider whether atomic developments are such that the United States and its allies should take action designed to remove their dependence on the strategic use of atomic weapons in the event of general war. The implication, in terms of requirements for conventional forces, of this conclusion would be very great.

4. *Tactical Employment of A-Weapons in Situations Short of General War*

The paper does not discuss the effect of our relative atomic "plenty" on our ability to deal with limited aggression. It is my belief that we now have a stockpile of sufficient size to enable us to use these weapons locally where their use would be militarily effective and did not involve more than offsetting political disadvantages. Our stockpile is now an asset which is usually regarded as frozen until and unless general war breaks out. We have not fully analyzed the balance between the considerations for using these weapons to increase the limited capability of our conventional forces to deal with local situations as against the contra political and strategic considerations.

5. *The National Interest of the United States with Respect to the Strategic Use of Atomic Weapons*

Here I wish to revert to the point made in the second paragraph under point 3, and to single it out for special emphasis. The prospect is, in my judgment, that it would be in our interest to develop such conventional forces that we would not be dependent for victory in the event of global war on the use of atomic weapons, particularly against strategic targets. Both because of physical factors and because of certain advantages of the totalitarian system (secrecy, relative immunity to, and ability to control, public opinion, centralized decision-making), the United States is more vulnerable to atomic attack than the Soviet Union. This suggests to me that it would be desirable to overcome our dependence on atomic weapons. At present we would be compelled to use them despite the losses we would suffer. It will be a large task to overcome this dependence, but I believe it can be done.

If the use of atomic weapons could be limited to tactical uses, it is quite possible our very great superiority in numbers of weapons would be to our advantage. It is difficult to see, however, how a precise dividing line can be drawn, or lived up to, separating tactical from strategic uses.

B. The Fundamental Issue Raised by the Report

Our national security programs have never actually been consistent with our objectives as these objectives have been repeatedly stated in NSC papers (20/4, 68, 114, and most recently 135/3).[2] This became clear in the course of the work on this project when the Defense representatives stated time and again, in answer to the point that the defense program would not produce the situation of strength defined in NSC 135/3, that the defense program had never been designed to produce any such situation of strength. The issue here is whether we are really satisfied with programs which in fact have the objective of making us a sort of hedge-hog, unattractive to attack, but basically not very worrisome over a period of time beyond our immediate position, or whether we take the objectives stated in NSC 20, 68, 114, and 135 sufficiently seriously as to warrant doing what is necessary to give us some chance of seeing these objectives attained.

C. Other Limitations of the Report

1. The paper does not deal with the most important immediate and concrete problems. To have dealt adequately with the Korean armistice, Indochina, Iran, EDC ratification problems or with the concrete elements of the economic problem would have been both impossible and unwise. Each of these problems in its concrete form is being more actively and deeply considered in other forums.

2. In preparing the paper we were unable to extract specific force requirements or cost estimates and very limited estimates as to the potential effectiveness of additional programs.

3. The paper needs a number of drafting and organizational changes which we will try to work out in the next day or two on the basis of comments which have been requested from the various bureaus of the Department.

PAUL H. NITZE

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[2] For the text of NSC 135/3, Sept. 25, 1952, see p. 142.

S/S-NSC files, lot 63 D 351, NSC 140

Report to the National Security Council by the Executive Secretary (Lay)[1]

TOP SECRET
NSC 140

WASHINGTON, January 19, 1953.

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[1] Copies to the Secretary of the Treasury, the Attorney General, the Director of Defense Mobilization, and the Acting Federal Civil Defense Administrator.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON DIRECTIVE FOR A SPECIAL EVALUATION SUBCOMMITTEE

References:

A. NSC Action Nos. 687 and 699 [2]

B. Memo for NSC from Executive Secretary, subject, "Proposed Directive for a Special Evaluation Subcommittee," dated January 15, 1953 [3]

C. Memo for NSC from Acting Executive Secretary, subject, "A Project to Provide a More Adequate Basis for Planning for the Security of the United States," dated October 21, 1952 [4]

D. Memo for NSC from Executive Secretary, subject, "Summary Evaluation of the Net Capability of the USSR to Injure the Continental United States," dated November 25, 1952 [5]

Pursuant to NSC Action No. 687-b the Director of Central Intelligence prepared a draft directive providing for terms of reference for a more adequate evaluation of the USSR's net capability to inflict direct injury on the United States and recommendations for the machinery necessary to produce for the National Security Council such an evaluation. This draft directive was concurred in by the Joint Chiefs of Staff, the Interdepartmental Intelligence

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[2] In NSC Action No. 543, taken on Aug. 30, 1951, the National Security Council approved a draft directive on "A Project To Provide a More Adequate Basis for Planning for the Security of the United States", prepared by the Director of Central Intelligence pursuant to NSC Action No. 519. NSC Action No. 687, taken at the Council meeting of Nov. 26, 1952, noted that a summary evaluation entitled "Net Capability of the USSR To Injure the Continental United States", prepared in response to NSC Action No. 543, was limited and inadequate in several respects. The Director of Central Intelligence was instructed to prepare a more adequate evaluation in collaboration with the heads of various other executive agencies. Action was deferred on a recommendation by the Director of Central Intelligence that a review be undertaken of the adequacy of existing administrative "machinery" to undertake such an evaluation. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "Record of Actions") NSC Action No. 699, taken by the Council on Jan. 16, 1953, accepted a draft National Security Council directive for a special evaluation subcommittee after taking note of the disapproval of the Acting Federal Civil Defense Administrator who objected to the lack of representation "of some agency which has substantial responsibility for the planning of non-military security measures." (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Record of Actions")

[3] Reference is to the memorandum enclosing the draft National Security Council directive for a special evaluation subcommittee which became the subject of NSC Action No. 699. A copy of this memorandum is in S/S-NSC files, lot 63 D 351, NSC 140 Series.

[4] Reference is to the memorandum enclosing the summary evaluation entitled "Net Capability of the USSR To Injure the Continental United States" which became the subject of NSC Action No. 687 discussed in footnote 2 above. A copy of this memorandum is in S/S-NSC files, lot 63 D 351, NSC 140 Series.

[5] Reference is to the memorandum containing amendments to the summary evaluation entitled "Net Capability of the USSR To Injure the Continental United States" which became the subject of NSC Action No. 687 discussed in footnote 2 above. A copy of this memorandum is in S/S-NSC files, lot 63 D 351, NSC 140 Series.

Conference and the Interdepartmental Committee on Internal Security.

The National Security Council, the Secretary of the Treasury, the Deputy Attorney General and the Director of Defense Mobilization by memorandum action as of January 16, 1953, concurred in the draft directive. The Acting Federal Civil Defense Administrator expressed a qualified disapproval of the draft directive. (NSC Action No. 699)

The draft directive, together with the above action, was subsequently submitted to the President for consideration. The President has this date approved the draft directive enclosed herewith, and directs its implementation by all appropriate executive departments and agencies of the U.S. Government.

JAMES S. LAY, JR.

[Enclosure]

Draft Directive Prepared by the Director of Central Intelligence (Smith)

TOP SECRET [WASHINGTON, undated.]

NATIONAL SECURITY COUNCIL DIRECTIVE FOR A SPECIAL EVALUATION SUBCOMMITTEE

1. Pursuant to authorization of the President there is hereby directed the preparation of a summary evaluation of the USSR's net capability to inflict direct injury on the United States, to be submitted to the Council on or before 15 May 1953. This evaluation will cover the period up to 1 July 1955, and will consider USSR net capabilities against the continental United States and major US installations outside the United States, such installations to be selected on the basis of their importance to defense of the continental United States or to a United States counteroffensive against the USSR. The evaluation will cover all possible types of attack, including direct military, clandestine military, and sabotage, physical and non-physical. The evaluation will deal primarily with the initial phases of war, or the period during which all or a major part of the Soviet atomic or thermonuclear weapon stockpile might be expended.

2. In order to carry out this directive, there is hereby constituted a Special Evaluation Subcommittee of the NSC under the chairmanship of Lt. Gen. Idwal H. Edwards, USAF (to be retired on or about 28 February 1953) and comprising one representative each to be designated by the Joint Chiefs of Staff, the Central Intelligence

Agency, the Interdepartmental Intelligence Conference, and the Interdepartmental Committee on Internal Security. It is expected that the members of this Committee will devote themselves primarily to this project during the period of preparation of the evaluation.

3. The Special Subcommittee appointed herein is empowered under the terms of this directive to call on any agency of the government for relevant appraisals and information, subject only to appropriate security arrangements for handling and limitation of access to highly sensitive material, such as US war plans. The Special Subcommittee's functions will include specifically the:

a. Responsibility for the security of the project during the period of preparation.

b. Over-all supervision of the project at all stages including:

(1) Preparation of subsidiary terms of reference for material to be contributed by appropriate agencies.

(2) Preparation of assumptions to be used as the basis for material contributed.

(3) Review of material contributed, and issuance of requests for amplification or reconsideration thereof.

(4) Examination of data used in the preparation of material contributed, as necessary and subject to over-riding security requirements of the agency concerned.

(5) All decisions concerning the circulation and distribution of material contributed.

c. Preparation of intermediate working papers as required for the Special Subcommittee's own use or for the guidance of contributors.

d. Preparation of the final summary evaluation for consideration by the NSC.

4. The Chairman and members of the Special Subcommittee are authorized to designate an Executive Secretary and a Subcommittee Staff, to be restricted to the minimum number of personnel necessary for carrying out this directive. The agencies represented on the Special Subcommittee are hereby requested to furnish appropriate facilities and secretarial assistance to the Subcommittee. All personnel participating in the project will have proper security clearance and be instructed in such special security measures as are essential to the project.

5. Distribution of the final evaluation shall be as determined by the President.

S/P-NSC files, lot 62 D 1, NSC 141

Report to the National Security Council by the Secretaries of State and Defense and the Director for Mutual Security [1]

TOP SECRET
NSC 141

WASHINGTON, January 19, 1953.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON REEXAMINATION OF UNITED STATES PROGRAMS FOR NATIONAL SECURITY

References:

A. NSC Action Nos. 668 and 688 [2]

B. NSC 135/3 and Annex to NSC 135/1 [3]

C. Memo for NSC from Executive Secretary, subject, "Reappraisal of United States Objectives and Strategy for National Security", dated November 14, 1952 [4]

At the direction of the President, the enclosed memorandum to the President from the Secretaries of State and Defense and the Director for Mutual Security and its attached report on the subject, submitted pursuant to NSC Action No. 668-b, are transmitted herewith for the consideration of the National Security Council.

The report contains Conclusions (Part One—page 6) approved by the Secretaries of State and Defense and the Director for Mutual Security on the basis of the Analysis contained in Part Two (page 34).

The appendices listed on page 103, [5] which were of assistance to the Steering Committee on this Reexamination in reaching its con-

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[1] NSC 141 was discussed later at the 131st meeting of the National Security Council on Feb. 11, 1953. For extracts from the memorandum of discussion at that meeting, see p. 236.

[2] For NSC Action No. 668, see footnote 7, p. 123; NSC Action No. 688, taken by the Council at its 126th meeting on Nov. 26, 1952, noted the Progress Report submitted by the Chairman of the Steering Group on the reexamination of programs for national security called for by NSC 135/3. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "Record of Actions") Regarding the Progress Report under reference, see the memorandum by Nitze, Nov. 13, 1952, p. 184.

[3] Dated Sept. 25, 1952 and Aug. 22, 1952, pp. 142 and 89, respectively.

[4] This memorandum transmitted the Progress Report submitted by the Chairman of the Steering Group discussed in footnote 2 above. (PPS files, lot 64 D 563, NSC 135 Series)

[5] Reference is to eight papers, none printed. Four of the papers are the final drafts of the regional working group papers discussed in footnote 5, p. 185. Of the remaining four papers, three have not been found in Department of State files. They are: a memorandum by the Joint Chiefs of Staff to the Secretary of Defense dated Nov. 19, 1952, entitled "Review of Continental Defense System"; a memorandum by the Joint Chiefs of Staff to the Secretary of Defense of Jan. 12, 1953, commenting on the Steering Committee draft report of Jan. 6, 1953 (discussed in footnote 1, p. 202); and an undated paper prepared by the Federal Civil Defense Admin-

Continued

clusions, are being circulated separately through the members of the Senior NSC Staff as supplementary data in connection with the Reexamination. None of these appendices received departmental approval or clearance.

Special security precautions are requested in the handling of the enclosure.

JAMES S. LAY, JR.

[Enclosure]

Memorandum for the President by the Secretaries of State and Defense and the Director for Mutual Security

TOP SECRET [WASHINGTON,] January 16, 1953.

Subject: Re-examination of United States Programs for National Security

We are enclosing herewith certain materials which you requested us to submit pursuant to National Security Council Action No. 668.

We believe it important to point out in this covering memorandum what this study has attempted to accomplish—as well as what it has not attempted to accomplish.

NSC 135/3 contains a balanced statement of the position of the United States in the world today; the threats which face us in the period ahead; and our basic strategy for meeting these threats. This study takes NSC 135/3 as its starting point and makes no effort to restate or re-examine the conclusions reached in that paper.

The present study deals with the limited question as to whether the allocation of our resources under existing programs is appropriately related to the threats which we face and to our strategy for meeting these threats. The nature of this examination necessarily results in a concentration of attention on the dangers ahead and the respects in which existing programs may not adequately meet these dangers. In view of the limited purpose of this paper, no attempt was made to obtain the same over-all balanced view of our position as was contained in NSC 135/3. Nor was any attempt made to indicate what has been accomplished in the last few years or what strains and difficulties our growing strength is causing the U.S.S.R. We point these facts out in order that the study not be

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istration. The fourth paper, entitled "Memorandum Prepared by the Joint Chiefs of Staff to the Secretary of Defense, dated 10 November [1952], relating to Offensive Striking Power and General Military Reserve" is in PPS files, lot 64 D 563, NSC 135 Series.

misunderstood and interpreted as an unduly pessimistic assessment of our position at the present time.

We also wish to emphasize one additional point. This study reaches the conclusion that there is need to apply more resources to our continental defense and our civil defense programs. This conclusion has as its premise that these programs for defense of the United States against atomic attack constitute new and distinct requirements and that resources additional to those now programmed should be made available to meet them. No conclusion has been reached as to the extent to which these programs should be undertaken in the event additional resources are not made available. We feel that we must not sacrifice our capability of projecting our power abroad by concentrating too heavily on the purely defensive aspects of our security should general war occur.

In view of the short time available, we have not had an adequate opportunity to carry to greater depth and precision the consideration of certain of the basic questions dealt with in the study, particularly with respect to the impact on our strategy and programs of modern atomic weapons. Nor has there been an opportunity to consult with other interested departments and agencies with respect to those portions of the study with which they may be particularly concerned. It is therefore suggested that it may be desirable for the National Security Council to take this study under further consideration.

DEAN ACHESON
Secretary of State

ROBERT A. LOVETT
Secretary of Defense

W. AVERELL HARRIMAN
Director for Mutual Security

[Subenclosure]

TOP SECRET [WASHINGTON, undated.]

REPORT BY THE SECRETARIES OF STATE AND DEFENSE AND THE DIRECTOR FOR MUTUAL SECURITY ON REEXAMINATION OF UNITED STATES PROGRAMS FOR NATIONAL SECURITY

A. Terms of Reference

1. Pursuant to NSC Action No. 668, the Secretary of State, the Secretary of Defense, and the Director for Mutual Security were directed on September 4, 1952, "to undertake, in consultation as appropriate with other departments and agencies, the preparation of

materials necessary for a reexamination of the amounts and allocations of resources to various areas in terms of kind, quantity, timing and priority, to determine:

"a. Whether a general increase in the level of free world programs and military forces is required to deal with the several threats.*

"b. Whether the present allocation of resources as between U.S. military forces and other free world forces is appropriate.

"c. Whether the present balance between military assistance and the various types of economic assistance is appropriate.

"d. Whether these allocations are in proper relationship to the threats facing the United States in Europe, the Far East, and the Middle East, to the importance of these areas for U.S. security, and to United States commitments."

2. The Secretaries of State and Defense, and the Director for Mutual Security herewith submit their report in response to the directive of September 4. They have approved the Conclusions (Part One) on the basis of the Analysis (Part Two).

B. United States Objectives and Strategy

3. The starting point of this paper is the statement of United States objectives and strategy for national security contained in NSC 135/3. In re-examining the amounts and allocations of resources for national security, this report attempts to assess the probable contribution to national security of present programs in the light of the objectives stated in paragraph 4 of NSC 135/3. The statement of objectives reads as follows:

[Here follows a lengthy restatement of the objectives set forth in NSC 135/3.]

C. Major Developments Subsequent to the Date of Approval of NSC 135/3

4. In making this re-examination, certain developments subsequent to the date of approval of NSC 135/3 have been taken into consideration. These developments include the following:

a. There has been a reduction of the prospects for an early settlement of the Korean issue. This is indicated by the Communist rejection of the United Nations General Assembly resolution.

b. The situation in Indochina has become more precarious. The situation in Iran has continued to deteriorate, although very recently the prospects for settlement of the oil dispute have improved.

c. There has been a reduction of the prospects for an early ratification of the EDC Treaty and related European arrangements.

d. The United States has developed a thermonuclear device.

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* This question is dealt with last in Part One—Conclusions of the accompanying report. [Footnote in the source text.]

e. Added information on communist intentions has been gained from the statements of communist leaders at the recent communist party congress in Moscow. These statements give some basis for the view that the Soviet rulers will direct their major efforts during the immediate future to dividing and weakening the Western alliance, while maintaining and perhaps increasing their cold-war pressures against what they estimate to be the particular vulnerabilities of the West.

Part One—General Conclusions

I. DISTRIBUTION OF RESOURCES BETWEEN UNITED STATES AND OTHER FREE WORLD MILITARY FORCES

1. The first question is whether the present allocation of resources as between United States military forces and other free world forces is appropriate. This question has two aspects which should be separately considered. One is the requirements for air and civil defenses for North America in light of the growing Soviet atomic threat. The other aspect involves the question whether the requirements for military forces in the free world could be more efficiently and effectively met than at present by changing the present allocation of resources as between United States and other free world forces. These two aspects are separately considered below.

A. Defense of the United States Against the Soviet Atomic Threat

Relevant Considerations

2. The defense of the United States against the growing Soviet atomic threat involves both passive and active defense measures. For some years to come the deterrent power of the United States will reside largely in its ability to deliver an atomic attack of tremendous force upon the Soviet Union. The power of our striking forces is now substantial and is improving. For the foreseeable future, the willingness of the United States to employ atomic weapons in the event of general war is essential to the success of our strategic plans. The willingness of the United States, however, to initiate an atomic attack in the event that the Soviet rulers take certain actions which we would regard as a *casus belli* will be significantly affected by the casualties and destruction which the Soviet system could inflict in retaliation. Even at the present time, these casualties and this destruction would be very high and the prospect, under a continuation of our present programs, will rapidly worsen. There is an increasing danger that unless a large-scale civil defense program and measures to improve greatly our defense against air and sea attack are undertaken, the United States might find its freedom of action seriously impaired in an emergency.

3. It is estimated that American Civil Defense is only 10% to 15% effective at the present time and that a continuation of present programs will no more than double this effectiveness by the end of 1954. Additional programs—particularly for shelters—could substantially improve the situation. Care should be taken in developing and carrying out any new civil defense program to minimize the fear of atomic attack throughout the country and to avoid wasting resources on areas not likely to be attacked.

4. With respect to active defense, our present capability to defend the continental United States from atomic attack is considered to be extremely limited. As of mid-1952 probably 65–85% of the atomic bombs launched by the U.S.S.R. could be delivered on target in the United States. Defensive measures in current programs will not provide an effective defense against mass atomic attack. The U.S.S.R. will possess, in the period 1954–1955, the capability to make an air attack upon the United States which would represent a blow of critical proportions. There are, however, a number of additional measures which, if accomplished, would materially increase our capability to meet the atomic threat in 1955 and thereafter. Whatever additional programs are undertaken in the immediate future, there is a clear need for additional intensive research and development in this field.

5. The best defense of the United States in this period of weapons transition lies in an effective land, sea and air offensive capability sufficient to deter the would-be aggressor or render him impotent should he choose to attack.

Conclusions

a. A continuation of our continental defense and civil defense programs at the level of present appropriations involves critical risks.

b. Basic to the attainment of the objectives defined in NSC 135/3 is the allocation of large additional resources to continental defense and civil defense.

c. These programs constitute distinct and new requirements on the United States for which additional resources must be provided if the United States is to guard itself against the threat of atomic attack without disrupting its programs for building strength in the free world.

d. Additional programs should be prepared as a matter of urgency in such detail as to provide firm cost estimates and firmer estimates (1) of the results which could be accomplished by the programs and (2) of their impact on other security programs.

B. Distribution of Resources Between U.S. and Other Free World Military Forces

Relevant Considerations

[Here follow paragraphs 6–8.]

9. The purpose to be served by building up the military strength of allied and friendly nations varies from case to case. The buildup of Japanese and NATO forces will increase the ability of the free world to wage global war and will thereby provide additional deterrents to overt aggression by the U.S.S.R. and to limited aggression by China or the European satellites. In the Middle East, however, with the exception of Turkey and possibly Pakistan, there is no immediate opportunity to create forces strong enough to be of major significance in the event of global war. Initially, the purposes to be served by building up local forces in this area are to (1) strengthen the structure of government, (2) provide internal security, and (3) obtain base and transit rights for U.S. military forces. In creating such forces, the weak and unstable economies in the area must be taken into account. In South and Southeast Asia, it will be a long time before any forces can be created which would exercise a significant influence in the event of global war. But stronger indigenous forces in this area would serve not only to provide internal security (as in the Middle East); they would also ultimately contribute to security against the threat of expanded aggression by communist China. Finally, the development of effective local forces in Japan, South Korea, and Viet Nam would not only serve these local purposes, but would also free United States forces now deployed in the Far East, or, in the case of Viet Nam, French forces, for other assignments and thereby have a doubly beneficial effect. In general, it is clear that the strain on United States forces can be reduced and an adequate strategic reserve reconstituted only as other free world forces are strengthened and improved in these areas.

10. The volume of resources that can be effectively used in building up the military forces of allied and friendly nations in the Middle East and Asia is limited by the rate at which such resources can be absorbed, and by such special political circumstances as the constitutional prohibition of rearmament in Japan, the popular distrust of French motives in Viet Nam, and India's distrust of Pakistan. A build-up more rapid than envisaged in present programs would appear to be possible and desirable (a) in the immediate future in Korea, Indochina, and Formosa and on a modest scale in the Middle East, (b) in Japan, as soon as the constitutional and political obstacles can be overcome, and in Pakistan, if it can be accomplished without involving unmanageable problems with India, and (c) perhaps at a later date in other Asian countries.

11. In the NATO countries of Western Europe, the build-up of military forces could be accelerated through the use of United States resources. The military efforts that can be put forth by these countries themselves are, however, sharply limited by their eco-

nomic and political capabilities. Continued pressure by the United States for a military effort greater than justified by the European sense of urgency would weaken the alliance. In the last analysis, United States diplomatic pressure and economic aid cannot substitute for a political determination by the Europeans to devote larger resources to their own security. Even if it is not possible to secure a major increase in the level of the defense effort of the European NATO countries, and even if no strong case can be made for a major increase in the level of United States assistance, there is nevertheless good reason for certain specific revisions to provide, for instance, for some air defense measures and to fill several of the more serious recognized gaps in present defense plans, such as the inadequate provision for interceptors and ammunition reserves. But apart from the continuation and improvement of present NATO programs, a large part of the additional build-up of NATO military strength can only come from the creation of German contingents.

12. It will be necessary to make more effective and flexible use of United States resources in order to ensure during the period 1954-55 a volume of military supplies and equipment sufficient to permit (a) the presently planned build-up of United Forces, (b) the presently scheduled delivery of equipment to NATO, German, Japanese and South Korean forces, and (c) provision for a somewhat increased rate of build-up and the setting of somewhat larger force goals in the case of certain Asian and Middle Eastern nations. United States war reserves now programmed must continue to be regarded as available to help meet unforeseen contingencies in the cold war. This is an additional reason for building up these general war reserves to programmed levels. And as the mobilization base is developed and production levels off, the base must be kept in a condition which will permit its rapid utilization.

Conclusions

a. The build-up of U.S. forces to presently planned levels should be completed as rapidly as practicable. The present programs are believed to be adequate for this task, provided they are not subject to repeated downward adjustment and delay.

b. The allocation of a growing share of U.S. output of military end-items to our allies is consistent with a. It is also urgently needed in light of the threats facing the U.S. in certain key strategic areas on the periphery of the Soviet bloc and is feasible in terms of the absorptive capacity of certain friendly countries. However, allocation and delivery of military end-items and other material should be based on the ability of the recipient nations to maintain the material and use it effectively. Any increase in present military assistance programs should depend upon the contribution such an increase can make to the collective security of the free world. Each area must be considered on its merits.

c. Present programs are inadequate to exploit all opportunities for developing effective local forces in Asia and the Middle East. The devotion of moderate additional resources to this purpose in the Middle East and South Asia, and substantially larger additional resources in the Far East, together with required political measures, would greatly strengthen the free world against what is believed to be, for the next few years, the most immediate threat with which it is confronted.

d. Substantial additional resources could be used in building up additional military forces in the NATO countries. In view, however, of the nature of the circumstances which limit the military effort of which the Europeans seem capable, no attempt should be made to secure a general upward revision of present programs. It seems clear, however, that in Europe, as elsewhere, substantial military assistance programs will have to continue over a period of years. The main effort of the United States in this area should be concentrated upon (a) resisting further whittling down and postponing of present military programs, (b) insuring that there is steady progress in carrying out these programs, and (c) fulfilling U.S. commitments to deliver military equipment. However, specific programs to fill particular gaps should be urged and, if necessary, financially supported.

e. While improvements will be realized under current and projected programs, the present state of the U.S. military reserve forces will involve acute risks in the event of new acts of local aggression or of general war so long as U.S. forces are committed in Korea and present manpower policies remain in effect.

II. RELATIONSHIP OF MILITARY AND ECONOMIC ASSISTANCE

13. The third question is whether the present balance between military assistance and the various types of economic assistance is appropriate.

Relevant Considerations

14. We believe that the following considerations are relevant to this question.

[Here follows paragraph 14 a, outlining the relevant considerations involved in assessing the relationship of military and economic assistance.]

b. It will almost certainly be necessary for the U.S. to continue for a period beyond 1955 to provide military assistance to a number of its major allies, particularly the NATO countries (and Germany) and also Japan, if forces envisaged in present programs are to be achieved and maintained. It should be recognized that insofar as such continued military assistance involves off-shore procurement, it will also contribute directly to the alleviation of balance of payments difficulties and, therefore, reduce the need for other kinds of economic aid.

c. There will continue to be countries—notably Greece, Turkey, Korea, and perhaps at a later date Pakistan and Viet Nam—in which the burden of the military effort undertaken is so heavy and is of such importance to us, and whose economic capabilities are so limited, that it will be necessary and desirable to assist them indefinitely in meeting a part of the financial burden of their defense. This is clearly the case where the alternative to such assistance is an increased requirement for U.S. forces. Also there will continue to be countries, like Austria and Formosa, which have special economic difficulties, which are important to our security, and to which it will probably be necessary to continue to provide grant aid.

d. Direct economic assistance on a grant basis tends to have unfavorable political and psychological repercussions, and it is desirable to avoid the use of grants-in-aid where practicable. The amounts of economic assistance required in the form of grants-in-aid will, however, probably not be large, especially if off-shore procurement and other U.S. military expenditures are continued in the countries of Western Europe and Japan and if new forms are developed for financing productive investment in those parts of the world and in those types of projects which offer a reasonable chance of repayment but with some danger of foreign exchange difficulties.

Conclusions

a. A healthy society is the essential basis of a strong defense, and economic capabilities set a limit to the size of the defense program a society can, at any given time, safely undertake. It may well be that in the future it will be desirable to give somewhat more emphasis than at present to economic assistance, particularly to areas outside Western Europe, and to needed changes in our foreign economic policies. There may be cases in which it will be necessary and desirable to carry out economic programs even at the cost of reducing or stretching out military programs. A specific answer to the question of the balance between economic and military assistance could only be given on the basis of the varying situation country by country.

b. It is desirable that we have flexibility to shift funds as between areas and as between uses in whatever way will best advance our security interests.

c. There is need for a large flow of both private and public capital from the United States to the rest of the world, a need which must be expected to be long continued. Only a part of the public funds provided for this purpose need to be in the form of grants-in-aid, but not all of them can be provided in the form of fixed dollar loans. There is need to develop new forms of intergovernmental financing of productive investment in those parts of the world and for those types of projects that offer a reasonable chance of repayment but with some danger of foreign exchange difficulties.

d. There is a need to search for ways of minimizing the adverse political and psychological effects of continued grant assistance where such assistance is necessary.

e. The problem of economic weakness and instability in the free world, urgent as it is, is a complex one and is not susceptible of solution through a single course of action, through purely temporary programs, or through action solely by the United States. What appears to be required is a comprehensive and concerted approach to the long-range problems enumerated in paragraph 14-a above. In particular, the action most urgently required of the U.S. is to reduce the barriers to imports and to take other steps which will increase the ability of other nations in the free world to earn dollar exchange.

III. DISTRIBUTION OF RESOURCES BY AREAS

15. The third question is whether present allocations of resources are in proper relationship to the threats facing the United States in Europe, the Far East, and the Middle East and South Asia, to the importance of these areas for U.S. security, and to United States commitments. The following considerations are relevant to this question.

Relevant Considerations

A. *Western Europe*

16. The United States has committed itself to regard an attack on Western Europe as an attack on itself, and a Soviet attack on Western Europe will therefore mean general war. With respect to the cold war, present programs will not greatly improve conditions in the next few years, but instability will probably not constitute a serious problem. With respect to the threat of general war, substantial progress has been and will be made in European rearmament under present programs. Western Europe will probably not have reached a security position by 1955 which would be adequate to assure its defense against a determined Soviet attack. Assurance that Western Europe can be defended in the event of general war, however, is by no means the only measure of the value of the NATO forces. The growing capability of waging a delaying action is of great importance. For to the extent that Western forces can make a Soviet attack costly (in terms of time, the necessity to concentrate forces, the inability to capture Western Europe's industry substantially intact, and casualties), they may deter an attack even though they could not successfully hold against it.

17. It has also become clear that the Western European countries will not or cannot increase appreciably the proportion of their total output which they are now allocating to defense. The limiting factors, on both the rate of build-up and ultimate force goals are essentially economic and political, and involve such political circumstances as a lesser sense of urgency in some countries than prevails in the U.S. Government, a grave lack of internal political cohesion in France, Italy, and Germany, and the still unresolved rivalry and mutual suspicion between France and Germany, and such economic factors as the precarious state of their balance of payments, the widespread mistrust of currencies, and the low rate of savings. Moreover, it is evident that the fulfillment by 1955 of

force goals which would make the defense of the NATO Area of Western Europe a possibility would require the application of very much greater resources than the U.S. or European governments are now projecting for this purpose. Heavy pressure by the United States in an effort to make the Western European countries increase their defense efforts would probably be counter-productive for the time being. The important thing is to make steady progress.

B. *Middle East and South Asia*

18. Under present circumstances the threat to the Middle East is primarily a cold war threat. An armed attack on the Middle East could be made only by Soviet forces and is highly unlikely except as one phase of a general war. There is great danger, however, that political and economic conditions will continue to deteriorate and that important areas, such as Iran, might be lost to Communism as a result of this deterioration and of Soviet political warfare. The ability of the Western powers to combat this threat is limited. There is great animosity in the Arab States and Iran toward the West, particularly toward the U.K. and France. There are important steps which the U.S. can and should take, however, to remedy the situation. Certain of these steps can be taken in concert with the Western allies, but the U.S. must reserve its freedom of action to proceed if such a course is best suited to the long-range objectives which we and our allies share.

19. There is need for the U.S. to make its interest in the area more explicit and to assume increasing responsibility. On the political and diplomatic front, we must demonstrate clearly and openly that preferential treatment is not to be accorded to Israel over other states in the area and that we are determined that national borders shall be respected. Relatively modest amounts of military end-item assistance would make a valuable contribution to political stability and internal security, particularly in certain of the Arab States. The establishment of a Middle East Defense Organization, when political conditions permit, would be of utility as a means of gaining the political cooperation of the states of the area and encouraging integrated defense planning. Technical assistance and capital assistance in economic development are needed as essential parts of a long-term program. The amount of resources required is not large in comparison with the rest of our security program, although an enlarged Indian economic development program and a program of military assistance to modernize and expand Pakistani forces would be expensive.

C. *The Far East*

20. Present programs do not provide adequate security in the Far East against the threats of the cold war, local aggression, or general war. The danger to our interests will remain acute at least

as long as Communist China remains a willing and effective ally of the U.S.S.R. The threats in the Far East are of two kinds: first, that the present fighting in Korea and Indochina (and perhaps Malaya) will increase in intensity and perhaps in extent, and second, that there will be political and economic deterioration in these and other Far Eastern countries. The free world cannot count on any more favorable eventuality than a continuation of the present basic stalemate through 1955, and—in the absence of new initiatives and more telling programs on its part—should be prepared for a deterioration of its position in the Far East.

21. There are real opportunities to build increased military strength in the Far East, immediately in South Korea, Indochina and Formosa, and in Japan if existing political obstacles can be overcome. Substantially more resources than are provided for in present programs could be effectively used for this purpose.

22. Technical assistance and economic development programs can produce significant results but only over a rather long period of time. There is need for investment funds to develop the resources of the region. This development would assist not only the countries in which the investments were made but also Japan and the Western European countries—by making available larger supplies of raw materials and foodstuffs at lower prices but also by increasing the markets for their industrial production.

Conclusions

a. No one of the three major areas outside the Western Hemisphere has yet achieved adequate security against the several threats posed by the Soviet system.

b. Europe will be in a better position to resist Soviet military attack and to withstand Soviet pressures in the cold war than either of the other two areas. Western Europe will probably not have reached a security position by 1955 which would be adequate to assure its defense against a determined Soviet attack.

c. Taking into account the serious and immediate dangers facing the free world in the Far East and the Middle East and the political and economic obstacles to a more rapid build-up of NATO forces, the U.S. should not undertake a general upward revision of present NATO programs but it should attach a high priority to the upward revision of certain specific programs to fill particular defense gaps and should be prepared to support military assistance programs for a number of years to come.

d. There is urgent need for a larger allocation of U.S. economic and military resources to selected countries, in the Middle East and South Asia, particularly Iran, Egypt, India and Pakistan, and for measures which would serve to establish American interests in the area. Such new programs would contribute directly to greater political stability and to a measure of military strength.

e. There is similarly an urgent need for a substantially larger allocation of U.S. resources to the Far East, particularly to Indochina, Korea, Japan, and Formosa. Such larger programs could provide urgently needed indigenous military forces to help the countries of the area achieve stability, to deter or resist Chinese Communist aggression, and possibly to permit the withdrawal of some Western forces to positions of greater strategic advantage.

f. There is also need for additional economic programs for the underdeveloped countries to stimulate the production of raw materials and foodstuffs and thereby benefit the Western European countries and Japan and strengthen the economic base of the whole free world.

IV. THE GENERAL LEVEL OF SECURITY PROGRAMS

23. The final question is whether a general increase in the level of free world programs and military forces is required to deal with the several threats. This question is considered in the light of the objectives defined in paragraph 4 of NSC 135/3 and further elaborated in paragraphs 5-7.

Relevant Considerations

[Here follows paragraph 24, discussing the various considerations involved in assessing the general level of security programs.]

Conclusions

a. A continuation of present programs will not produce the situation of strength required to attain the objectives defined in paragraphs 4-7 of NSC 135/3, nor is it probable that improvements in efficiency of administration or any reallocation of resources within the limits of present programs can bring the Free World to such a situation of strength.

b. It follows, therefore, that a selective increase in the level of free world security programs will be required if the objectives defined in NSC 135/3 are to be attained. In previous conclusions of this report, specific increases have been suggested to provide for substantially larger continental defense and civil defense programs and for economic and military aid on an expanded scale to countries in the Middle East and the Far East. The specific additional programs suggested herein would require some increase in total security outlays in the immediate future but the extent to which, if at all, they would involve, after FY 1954, an absolute increase in such outlays to a rate greater than that projected for FY 1954 can not be calculated on the basis of evidence now available. It is clear however, that even with such increased programs the objectives defined in NSC 135/3 could not be fully attained within the next two or three years and that the United States must plan for a long-term effort.

[Here follows Part Two, "Analysis", not printed (totaling 19 pages), composed of seven sections dealing respectively with Europe, the Far East, the Middle East, South Asia and Africa, Latin America, defense of the continental United States, and offensive striking power and general military reserve.]

S/S-NSC files, lot 63 D 351, NSC 142 Series

Memorandum to the National Security Council by the Executive Secretary (Lay)

TOP SECRET WASHINGTON, February 6, 1953.

Subject: Review of Basic National Security Policies

References: NSC 20/4; NSC 68/2; NSC 135/3; NSC 141 [1]

The following documents are transmitted herewith as a basis for discussion of the subject and the references in meetings of the National Security Council:

a. A one-page informal brief of approved basic national security policies (NSC 20/4, 68/2, and 135/3).

b. An informal condensation of NSC 20/4, 68/2, 135/3 and 141.

c. Some major questions raised by a review of these basic national security policies.

The enclosed documents, prepared at the direction of the President by Mr. Robert Cutler and the Executive Secretary, are for the personal use of the recipients in preparing for and engaging in discussions at Council meetings. They have no official standing otherwise, and should not be considered or used as substitutes for the policies or reports to which they refer. The list of questions is not intended to be all-inclusive nor to indicate any proposed policies.

At the President's direction, initial Council discussion of this subject will be scheduled for the regular meeting on Wednesday, February 11, 1953.

The President has also expressed the desire that the Council be prepared to submit its recommendations on basic national security policies resulting from this review not later than April 1, 1953, in order that they may be used in preparing instructions for the Fiscal Year 1955 budget.

JAMES S. LAY, JR.

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[1] For texts of NSC 20/4, "U.S. Objectives With Respect to the USSR To Counter Soviet Threats to U.S. Security", Nov. 23, 1948, see *Foreign Relations*, 1948, vol. I, Part 2, p. 662; NSC 68/2, "United States Objectives and Programs for National Security", Sept. 30, 1950, see *ibid.*, 1950, vol. I, p. 400; NSC 135/3, "Reappraisal of U.S. Objectives and Strategy for National Security", Sept. 25, 1952, see p. 142; NSC 141, "Reexamination of United States Programs for National Security", Jan. 19, 1953, see p. 209.

[Enclosure a]

BRIEF OF APPROVED U.S. NATIONAL SECURITY OBJECTIVES, POLICIES AND PROGRAMS WITH RESPECT TO THE USSR (NSC 20/4, NSC 68/2 AND NSC 135/3)

Objectives

1. Develop throughout the world positive appeals superior to those of Communism.

2. Block further expansion of Soviet power even at grave risk of general war.

3. Without unduly risking general war, reduce Soviet power and influence so that they can no longer threaten the peaceful co-existence of all nations.

4. Maintain a strong U.S. economy and our fundamental values and institutions.

5. Develop sufficient free world strength to contain Soviet power geographically or politically so that the internal conflicts of the Soviet totalitarian system will, with positive pressures from us, subsequently cause a retraction of Soviet power and influence and eventually cause that system gradually to weaken and decay.

6. Ultimately establish an international system based on freedom and justice as contemplated in the UN Charter.

Methods

7. Develop and maintain as long as necessary a state of limited mobilization,—a war readiness capable of deterring Soviet aggression and of achieving rapidly full mobilization if war comes.

8. Develop and retain ready capability to inflict massive damage on Soviet war-making capacity, while providing for our nation reasonable military and civil defense and internal security pending full mobilization.

9. Encourage all free nations to be on our side; and help those willing and able to help us, to increase their economic and political stability and strength, and, where appropriate, their military capability.

10. Encourage and assist the development of indigenous forces and security arrangements to resist local Communist aggression; and be willing and able to participate in collective and, if necessary, unilateral action against such aggression in key areas.

11. Promote stability and strength in critical areas of the free world by diplomatic and psychological operations; by international economic policies which stress trade, raw material development, increased capital investment, sound financial relations; and by limited U.S. aid.

12. Systematically and consistently inform the American public and other free people so as to gain their support for our policies and actions.

13. Without overestimating the effect or taking undue risks, try to weaken Soviet control over the Satellites and the military potential of the Soviet system.

14. Develop a sound negotiating position and be prepared to enter negotiations with the USSR, but recognize that only enforceable agreements are meaningful and that the value of negotiation in the foreseeable future may be primarily to influence world opinion.

[Enclosure b]

INFORMAL CONDENSATION OF NSC 20/4, 68/2, 135/3, AND 141

(for discussion purposes at NSC meetings)

NSC 20/4

1. The first statement by the National Security Council of the overall U.S. objectives, policies, and programs for national security with respect to the USSR (NSC 20/4) was approved 11/14/48.

2. This basic policy has been reaffirmed, upon reexamination, ever since that date and is the national policy today. The paper states the general objectives to be:

> "a. To reduce the power and influence of the USSR to limits which no longer constitute a threat to the peace, national independence, and stability of the world family of nations.
>
> "b. To bring about a basic change in the conduct of international relations by the government in power in Russia, to conform with the purposes and principles set forth in the UN Charter.
>
> "In pursuing these objectives due care must be taken to avoid permanently impairing our economy and the fundamental values and institutions inherent in our way of life."

The policy paper says that we should seek to achieve these general objectives by methods short of war; through the following programs—

a. Develop a level of military readiness which can be maintained as long as necessary as a deterrent to Soviet aggression; to support our political attitude towards the USSR; to encourage nations resisting Soviet political aggression; and as an adequate basis for rapid mobilization should war prove unavoidable.

b. Assure our own internal security against sabotage, subversion, espionage.

c. Maximize our economic potential.

d. Encourage non-Soviet nations to come over to our side; and help those able and willing importantly to help us, to increase their economic and political stability and their military capability.

e. Place a maximum strain on Soviet-satellite relationships.

f. Keep the U.S. public fully informed so that it will support the measures necessary to preserve the national security.

3. Although the paper does not say so, the policy is premised on the possibility of peaceful coexistence with a Russia retracted within its traditional borders and shorn of its control over the international communist movement.

NSC 68/2

4. The atomic explosions in Russia in September 1949 led to a reexamination of the basic policies stated by NSC 20/4. Although this reexamination was completed prior to the communist aggression in Korea on June 25, 1950, it was not finally approved as policy until 9/30/50 in NSC 68/2.

5. NSC 68/2 reaffirmed the validity of the policies set forth in NSC 20/4, but stated that in the light of then and prospective Soviet capabilities the action proposed to be taken under then-existing programs and plans was dangerously inadequate, in both timing and scope. It pointed out:

a. That unless those programs and plans were strengthened and expedited, America would be vulnerable within the years 1954–1955 to a surprise atomic attack by the Soviets.

b. That we must organize and enlist the energies and resources of the free world in a positive program for peace, or we will lose positions of vital interest throughout the world and become isolated.

c. That this change in emphasis will be costly and involve significant domestic financial and economic adjustments.

d. That the only means short of war which may eventually force the Kremlin to abandon its present course of action and to negotiate acceptable agreements on issues of major importance, is a rapid and sustained build-up of the political, economic, and military strength of the free world.

e. That we must have an affirmative program, beyond the solely defensive one of countering the threat posed by the Soviet Union.

6. The premise of this paper is not really different from that of NSC 20/4: if we and the other free peoples get strong enough, quick enough, we may be able to deter the USSR from making war and live with the Soviets until they change their ways.

NSC 135/3

7. The latest reappraisal of U.S. objectives and strategy was approved on 9/25/52 as NSC 135/3. This paper, which states that no fundamental departures from the conclusions of the NSC 20 and NSC 68 Series are required, is summarized below:

I.

If and when the Soviets deem themselves capable of defeating the United States without serious risk to their own regime, they will probably initiate general war. They will also initiate general war if they become convinced that the West is about to attack them.

Although there is continuing danger of general war, the most immediate danger facing the United States is that a progressive and cumulative loss of positions of importance to the United States (either as a result of deterioration within the free nations or of communist cold war actions or a process involving both) could eventually reduce the United States, short of general war, to an isolated and critically vulnerable position.

The Soviet orbit has formidable and growing military, economic, and political capabilities, including in particular an atomic capability and a possible thermonuclear capability, which will become sufficient in the next few years to damage critically the United States and its allies. Conversely, the USSR is vulnerable to our own developing atomic capabilities.

The United States and its allies have also notably improved their security position since Korea. The U.S. stockpile of atomic bombs will increase absolutely more rapidly than the Soviet. The United States may soon have a thermonuclear weapon. The free world still enjoys a very substantial superiority in basic productive potential over the Soviet orbit. The orbit, however, is willing and able to devote a higher proportion of its resources to war purposes than the free world.

The development of Soviet production potential, together with the increasingly destructive power available to both sides, make it impossible for the free world to assign the same weight as in the past to the economic potential as the determining factor in final victory.

II.

In the light of these factors, the strongest deterrent to general war will be the achievement and maintenance by the free world of such an over-all position of strength that the Soviets will not take the risk of challenging it.

Although genuine progress has been made in Western Europe, further efforts by these countries and further U.S. assistance will be required to overcome the adverse factors and to assure Europe's progress toward stability and the achievement of collective defense.

Present and threatened communist aggression and subversion in the Far East and Middle East pose immediate dangers to the free world. Adequate measures to cope with the situations in these two areas are not provided by current programs, priorities, and force levels.

In short, it appears that the ability of the free world to maintain its position and progress toward its objectives would increasingly depend upon (a) its capacity to stand firm against Soviet political warfare, (b) its willingness and ability to commit appropriate forces and matériel for limited objectives, and (c) its ability to develop greater stability in peripheral and other areas.

Outside the Soviet orbit there is need for increased and more selective political warfare operations by the U.S. and its allies, and for a reexamination of international trade policies. Against the orbit itself the free world should intensify its efforts to weaken Kremlin control over the satellites and the military potential of the Soviet system, while not overestimating the effectiveness of such activities and carefully weighing the risks involved.

III.

If, in conclusion, the free world develops and maintains such over-all strength that the Soviet orbit cannot further expand its power, geographically or politically, the internal conflicts of the Soviet totalitarian system should themselves cause a retraction and decay of Soviet power. No time limit can be set for achieving this objective.

However, in view of the dangers and difficulties facing us in the next few years, a reexamination of the adequacy of current U.S. national security programs, from the standpoint of size, relative priority, and allocation, is required.

NSC 141

8. In pursuance of the direction in NSC 135/3, the Secretary of State, Secretary of Defense, and Director for Mutual Security submitted, on January 19, 1953, a report on their reexamination of the adequacy of the current U.S. security programs (NSC 141). This paper was based upon approved national security objectives stated in the NSC 135, 114, [2] 68 and 20 Series. As directed by the President, it concerned only allocation of our resources under current programs.

9. *The general level of security programs.* A general increase in world security outlays over the next few years is required to reach a level of expenditure which must then be maintained over a long term before our objectives are attained. U.S. programs should be increased selectively, with more resources applied to the following two in particular:

a. To provide as a matter of urgency substantially larger U.S. programs for the military and civil defenses of the continental United States, in order to reduce U.S. vulnerability to increasing Soviet atomic capabilities; and

b. To expand military and economic aid to the Middle and Far East, in order to increase the free world's capacity to deter or counter local communist aggression without reliance solely on the threat of general war.

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[2] For text of NSC 114/3, June 5, 1952, see p. 20.

Because of limited capability for covert operations against the Soviet system, however, there should be no further increase at present in the allocation of resources to such operations.

10. *Distribution of resources between U.S. and other military forces.* The increase in continental U.S. military and civil defense programs must come from new resources, to avoid diversion from the build-up of our land, sea, and air offensive readiness, which is our best present defense.

Additional intensive research and development in active defense is clearly needed.

Care should be taken in passive defense to minimize fear and to avoid wasting resources in areas not likely to be attacked. However, as U.S. forces reach planned levels of readiness, a growing share of U.S. military end-items should be allocated to our allies. Allocation and delivery abroad should be governed by the recipient's ability to use and maintain the material effectively.

Moderate increases should go to the Middle East and South Asia for local forces, and substantially larger amounts to the Far East.

No attempt should be made for a general upward revision of present NATO programs, but gaps like air defense and ammunition shortages should be filled. However, any attempts to whittle down and postpone NATO goals should be resisted. Steady progress should be sought, and U.S. commitments regularly fulfilled.

To permit these increases in foreign military aid, U.S. war reserves must continue to be available, on the grounds that the strain on U.S. forces cannot be reduced nor a U.S. strategic reserve reconstituted until other free world forces are strengthened.

11. *Relationship of military and economic aid.* Extraordinary economic measures will continue to be necessary to fill the world's dollar needs.

Urgent action is required to reduce U.S. trade barriers to imports, but this and other classical remedies cannot alone be expected to increase the world's supply of dollars enough to make possible a multilateral trading system based on convertible currencies and non-discriminatory trade. Private and public capital should be encouraged to flow abroad.

With public funds grants-in-aid should be extended to countries like Greece, Turkey, Korea, and later Pakistan and Vietnam, where the local military burden is such that the only alternative to financial aid is an increased requirement for U.S. troops. The special economic difficulties of Austria and Formosa will also require grant aid.

For private funds new forms of intergovernmental financing of investment should be developed where there is a reasonable chance for repayment, but difficulty in foreign exchange.

Military assistance to NATO countries, as well as to Germany and Japan, will have to be continued beyond 1955. Off-shore procurement in these instances will alleviate the balance of payments problem.

In general, however, there should be flexibility to shift funds among areas and between military and economic uses.

12. *Distribution of resources by area.* The NATO area requires no upward revision of programs.

Modest increases in economic and military aid should be allocated to Iran, Egypt, India, and Pakistan, however, for political stability and internal security. In this Middle Eastern area aid programs should be guided by the estimate that the threat there is a cold war threat, since an armed attack on the area could be made only by Soviet forces and is highly unlikely except as a phase of general war.

In the Far East substantially larger allocations of U.S. resources should be made at once to Indochina, Korea, Japan, and Formosa. Such increases should provide indigenous military forces for internal stability, for resistance to Chinese communist aggression, and for a withdrawal of some Western forces to more strategic positions. Additional economic programs are needed also in the Far East to stimulate production of raw materials and foodstuffs as a means of strengthening the economic base of the whole free world.

13. No conclusion has been reached as to the extent to which these programs should be undertaken in the event additional resources are not made available for our continental U.S. military and civil defenses. Our capability for projecting our power abroad must not be sacrificed by concentrating too heavily on the purely defensive aspects of security should general war occur.

14. While the specific additional programs suggested herein would require some increase in total security outlays in the immediate future, the extent to which, if at all, they would involve, after FY 1954, an absolute increase in such outlays to a rate greater than that projected for FY 1954 cannot be calculated on the basis of evidence now available.

[Enclosure c]

SOME MAJOR QUESTIONS RAISED BY A REVIEW OF APPROVED NATIONAL SECURITY POLICIES

1. How far can we reduce Soviet power and influence without accepting grave risks of general war?

2. If we continue to contain Soviet power and build free world strength, will an unbearable stalemate ensue?

3. Can we reduce Soviet power and influence without deliberate subversion behind the iron curtain?

4. Do existing policies sufficiently weigh or consider the vulnerabilities of the Kremlin regime (such as the indigestive results of swallowing such large areas and populations so rapidly), or the psychological aspects related thereto?

5. Should we support any government, even though totalitarian, provided only that it is independent of Soviet control and influence; or should we work only with "democratic" groups?

6. Under existing policies and programs will we ever be strong enough to negotiate a lasting agreement? What are the conditions, short of unconditional surrender, on which we would settle? Is there any acceptable temporary accommodation short of ultimate settlement?

7. Can the free world with U.S. leadership, develop an international trade and financial pattern which will eliminate the necessity for U.S. aid or for trade with the Soviet bloc?

8. Despite our offensive capability, are we carrying out adequate programs for defense against atomic attack?

9. In case of general war what conditions, if any, should be placed upon the use of atomic weapons? Under what circumstances, short of general war, might atomic weapons be employed?

10. Do we still believe that the Soviets shun war:

a. Because they believe they can gain their ends otherwise?
b. Because of our retaliatory power?

11. Should we devote additional resources to carry out our existing policies effectively?

12. Should we reallocate our existing resources among the various security programs? How?

PPS files, lot 64 D 563, "Natl Sec (civil defense)"

Memorandum by Carlton Savage of the Policy Planning Staff

TOP SECRET [WASHINGTON,] February 10, 1953.

CONTINENTAL DEFENSE

During January 1953, three documents were placed before the Executive Branch of the Government which point up continental defense, civil and military, as the Achilles heel of our national security.

The three documents are the NSC 141, [1] the East River report, [2] and the report of the Panel of Consultants on Disarmament. [3] The first was prepared in the Government after months of deliberation and with widespread participation in State, Defense (including JCS), and MSA. The second was prepared for the Government by a large number of private citizens working over a period of almost two years. The third was prepared by two scientists, two educators, and the newly appointed director of CIA.

The impact of these three studies, taken together, is powerful. They treat of a number of subjects but they converge with striking unanimity on one: continental defense. They convincingly corroborate President Eisenhower's statement that the United States stands in greater peril today than at any time in our history. They are not alarmist, yet they stand as a warning that if we do not heed the counsel they contain, we could eventually lose our existence as a free nation.

NSC 141 concludes that our present capability to defend continental United States from atomic attack is extremely limited; that probably 65-85 per cent of the atomic bombs launched by the Soviet Union could be delivered on targets in the United States; that the Soviet Union will possess in the period 1954-1955 a capability to make an air attack on the United States which could represent a blow of "critical proportions"; that a continuation of our continental defense programs, civil and military, at the level of present appropriations involves critical risks; and that basic to the attainment of our objectives is allocation of large "additional" resources to civil and military defense of the continent. The word "additional" is used to indicate that this assignment of resources should not be at the expense of other U.S. security programs.

The East River report emphasizes that an adequate U.S. civil defense program cannot be developed without the adoption of military measures sufficient to make it manageable; that means should be developed for detecting an airborne enemy attack at a distance of no less than 2,000 miles from U.S. continental limits; that we should establish interception and defense in depth in support of the outer warning network with the mission of essentially complete interception and kills so that local defense need deal only with leakage through the defensive net. The East River report estimates that thirty atomic bombs dropped without warning on the most inviting industrial targets in the United States could result in

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[1] For extracts from NSC 141, see p. 209.

[2] Regarding Project East River, see footnote 2, p. 20.

[3] For documentation on the establishment of the Panel of Consultants on Disarmament of the Department of State in April 1952, and the subsequent issuing of a report by this Panel, see pp. 845 ff.

25,000,000 casualties if the attack came at night, with losses much greater from a daytime attack. It sets out 246 recommendations of measures considered appropriate for the defense of continental United States.

The Panel of Consultants on Disarmament reported to the Secretary of State that in the course of their work no problem forced itself upon them more insistently and regularly than that of the defense of continental United States; that the intensive U.S. preoccupation with the development of massive capability of atomic attack is not matched by any corresponding concern for U.S. defense in case of a Soviet attack here; that there is an altogether insufficient emphasis on the importance of the atomic bomb as a Soviet weapon and upon the fact that no matter how many bombs we may be making, the Soviet Union may fairly soon have enough to threaten the destruction of our whole society. The Panel believes that this situation results partly from the pattern of our previous atomic decisions, partly from the natural impact of the sound military doctrine of the offensive, and partly from the simple but unpleasant fact that the atomic bomb works both ways. In summary, the Panel considers it plain that "there is every reason to proceed with greatly intensified efforts of continental defense."

A careful study of these three documents prepared by civil and military authorities, by scientists and businessmen and educators, compels the conclusion that not only should something substantial be done about continental defense but it should be done as a matter of great urgency. Our Republic cannot survive if we do not protect our citizens and our industrial base from atomic blows of critical proportions. Time is in fact of the essence. And the urgency of the situation receives added emphasis when we look ahead to Soviet development of the hydrogen bomb and of inter-continental guided missiles.

Our vulnerability in this particular aspect of national security has especial meaning in our foreign relations. As long as continental United States is vulnerable to an atomic attack which could result in 25,000,000 or more civilian casualties and in crippling damage to our industrial plant, our choice of action in the conduct of foreign relations is drastically narrowed and our ability to act with vigor and decisiveness gravely reduced. This is the case even though we have the retaliatory capability of meting out terrible punishment in the homeland of the attacker. [4]

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[4] A handwritten notation on the source text following the close of this sentence reads: "On the other hand, a decrease in the vulnerability of the American bastion, through continental defense, would have a deterrent effect on the Soviet Union."

The three documents mentioned in this memorandum are especially powerful in their persuasion when taken together. They point to the necessity of the Executive preparing a program for continental defense with vigor and urgency. Meanwhile, because the gravity of this situation is not generally realized on Capitol Hill, the Congress or at least its leadership should be briefed on the problem. There are several reasons for this: (1) it would be in line with the established procedure of Executive-Legislative cooperation in the development of policy; (2) it would enable the Executive to obtain sound counsel from the Congress; (3) it would amount to a sharing of constitutional responsibility in this matter of grave concern to the future of our Nation. The urgency for consultation with members of the Congress—even before an Executive program is fully developed—is that in fairness to them, they should be exposed to this danger in our national security before they go far in making commitments to antithetical propositions.

President Eisenhower has laid down in his inaugural address the attitude that should guide the National leadership as well as the rank and file in matters of this nature: "We must be willing, individually and as a nation, to accept whatever sacrifices may be required of us. A people that values its privileges above its principles soon loses both." [5]

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[5] The inaugural address delivered by President Eisenhower on Jan. 20, 1953 is printed in *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1953* (Government Printing Office, 1960), pp. 1-8.

PPS files, lot 64 D 563, "Natl Sec (civil defense)"

Memorandum of Conversation, by Carlton Savage of the Policy Planning Staff [1]

TOP SECRET WASHINGTON, February 11, 1953.

Subject: "Counterchange"

Participants: *State Dept.*
Mr. Nolting—G
Mr. Arneson—S/AE
Mr. Savage—S/P
Dept. of Defense
Major Lombardo—USAF

Major Lombardo handed us the final report of the 1952 Summer Study Group dealing with continental defense and, more particularly, with distant early warning system.[2] This report calls for a line of radar stations in the far North to give distant early warning of the approach of enemy aircraft. Major Lombardo said that this proposal has been severely criticized by the Rand Corporation and is not acceptable to the Army, Navy and Air Force. These three Departments favor the establishment of an early warning line at approximately the 60th Parallel. They are against the line further north, proposed by the Summer Study Group, for three reasons:

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[1] The source text indicates that Savage drafted this memorandum on Feb. 13, and that copies were sent to Nolting, Arneson, and Lombardo.

> (1) There would be several gaps in the line which could not be closed; (2) This line would be too susceptible to "spoofing"; (3) It would not be possible to back up the line with fighter aircraft.

Major Lombardo explained that the line of the 60th Parallel would not be subject to these disadvantages. Furthermore, he said, the Canadians would cooperate in the establishment of this line, whereas they would not in establishing the far North line, and obviously their cooperation is indispensable.

Major Lombardo said, in answer to a question, that the Air Force believes it would be possible thus to carry out the terms of the Policy Statement of December 31, 1952. [3] The line along Parallel 60 would provide 3 ½ to 4 hours warning and could be completed by December 13, 1955, the target date set in the Statement of Policy.

He said that the next moves in this project, "Counterchange", will be: (1) construction of two stations on Canadian soil as soon as permission is given, which we understand will be very soon; (2) the Air Force will study the report of the Kelly Committee which is due at the end of this month; (3) we must agree with the Canadians on the precise location of the line expected to be in the general region of the 60th Parallel. [4]

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[2] Not printed.

[3] The Policy Statement of Dec. 31, 1952 was issued as NSC 139; it is scheduled for publication in volume VI.

[4] In an unaddressed memorandum dated Feb. 17, Savage wrote that at that time "Probably 65–85 per cent of the atomic bombs launched by the Soviet Union could be delivered on target in the United States," and he added that the national civil defense "is estimated to be only ten to fifteen per cent effective at the present time, and a continuation of present programs will no more than double this effectiveness by the end of 1954." In order to achieve adequate continental defense, new programs involving investments for additional fighter interceptors, anti-aircraft artillery, guided missiles, hunter-killer naval anti-submarine groups, small radar installations for low altitude coverage, radar picket ships, and the like would be needed. A copy of this memorandum is in PPS files, lot 64 D 563, "Natl Sec (civil defense)".

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 131st Meeting of the National Security Council, Wednesday, February 11, 1953 [1]

[Extract]

TOP SECRET EYES ONLY

Present at the 131st meeting of the Council were The President of the United States, presiding, The Vice President of the United States, the Secretary of State, the Secretary of Defense, and the Director for Mutual Security. Also present were the Secretary of the Treasury, the Director, Bureau of the Budget, the Chairman, Joint Chiefs of Staff, the Acting Director of Central Intelligence, the Administrative Assistant to the President for National Security Matters, the Military Liaison Officer, the Executive Secretary, NSC, and the Deputy Executive Secretary, NSC.

There follows a general account of the main positions taken and the chief points made at this meeting.

. . . .

6. *Review of Basic National Security Policies* (NSC 20/4; NSC 68/2; NSC 135/3; NSC 141; Memo for NSC from Executive Secretary, same subject, dated February 6, 1953 [2])

Mr. Cutler explained the several briefs which had been provided as a basis for discussion of this item, and recapitulated the position of the previous administration as being peaceful coexistence with a Soviet Union which had changed to some degree its character.

The President explained to the Council the value of NSC 141 as a legacy from three important members of the previous administration who had no personal interest in having its proposals adopted. From this point the President went on to state that the great problem before his administration was to discover a reasonable and respectable posture of defense. If we can find such a level it may be possible to secure the money and resources necessary to enable the world to reach a decent economic position. In short, it may be possible to figure out a preparedness program that will give us a respectable position without bankrupting the nation.

Secretary Humphrey stated very emphatically his belief that from now on out this Government must pay its way, and that all major policy recommendations should be accompanied by an estimate of how much it will cost to execute them. Moreover, it was highly desirable that an estimate be prepared of just what resources will be available from tax sources to this Government over the next ten years. Such an estimate was necessary before we could decide on these major programs for national security. For his part, Secretary Humphrey stated that our "take" in goods and services is already over the limit.

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[1] Drafted by Deputy Executive Secretary Gleason on Feb. 12.

[2] For Lay's memorandum, see p. 223; concerning the various National Security Council papers under reference, see footnote 1 to that memorandum.

Mr. Stassen seemed not to agree with this latter statement, and pointed out the capacity of the American economy to expand and to meet the obligations imposed upon it.

Mr. Cutler suggested that the Secretary of the Treasury and the Director of the Budget provide a written statement of their position in this respect, since it would enormously facilitate the labors of the NSC Staff in the process of revising national security policy and programs.

The National Security Council:

Discussed the subject on the basis of the documents transmitted by the reference memorandum, and agreed to continue discussion at the next meeting of the Council. [3]

. . . .

S. EVERETT GLEASON

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[3] This paragraph constitutes NSC Action No. 712. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Record of Actions") For further information on the continuing review of national security policy during the early winter and spring of 1953, see the editorial note, p. 244.

S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Admin., 1950-54"

Memorandum by the Director of the Policy Planning Staff (Nitze) to the Under Secretary of State (Smith)

SECRET WASHINGTON, February 12, 1953.

Subject: Organization and Functions of the Policy Planning Staff

The Policy Planning Staff was established in May of 1947 by a Departmental Order which defined its functions as follows:

"(1) Formulating and developing, for the consideration and approval of appropriate officials of the Department, long-term programs for the achievement of American foreign-policy objectives.

"(2) Anticipating problems which the Department may encounter in the discharge of its mission.

"(3) Undertaking studies and preparing reports on broad politico-military problems which the Department may submit for consideration by SWNCC, the Committee of Three, [1] or other similar bodies.

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[1] Reference is to the State-War-Navy Coordinating Committee which, prior to the establishment of the National Security Council in July 1947 was one of the chief policy coordinating and recommendatory bodies in the Executive Branch. Reorga-

Continued

"(4) Examining, independently or upon reference by the Secretary or the Under Secretary, problems and developments affecting United States foreign policy in order to evaluate the adequacy of current policy and making advisory recommendations pertaining thereto.

"(5) Coordinating planning activities within the Department of State.

"In the discharge of the above functions, the Policy Planning Staff has no operational responsibility and will not issue directives, instructions, etc., to the operational organizations of the Department or to missions in the field. However, in order to insure a realistic basis for planning close contact shall be maintained between the Staff and operational organizations; and the latter shall be responsible for keeping the Staff informed of their planning activities."

The Staff consists of a Director, a Deputy Director, ten members (at present there are nine) and an Executive Secretary. (A list of the present members is attached as an Annex.) [2]

With the creation of the National Security Council and the unification of the Services that resulted in the creation of the Office of the Secretary of Defense and the Joint Chiefs of Staff with a Joint Staff, much of the work of the Policy Planning Staff has centered on political and political-military problems that cut across the responsibilities of various bureaus within the Department or of various departments of the Government and involve matters requiring the attention of officers having general experience rather than specialists in particular areas and fields.

An example of the continuing work of the Policy Planning Staff on problems that embrace all aspects of our national power and purposes is the series of NSC papers beginning with NSC 20/4 and proceeding through NSC 68, NSC 114, NSC 135, and most recently NSC 141. These papers were largely generated by the State Department through the Policy Planning Staff, working in collaboration with the Office of the Secretary of Defense and the Joint Chiefs of Staff organization. Coordination with other interested Government agencies was achieved in the Senior Staff of the NSC and in the National Security Council itself. This series of papers deals with the broad questions of the building of strength in the free world, the retraction of Soviet power and influence, and the possibilities for combatting local aggression and meeting general war, if it should come. Officers who are familiar with atomic energy and

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nized in 1947, SWNCC continued to meet through 1949. The Committee of Three, comprised of the Secretaries of State, War, and Navy met periodically through 1947 to discuss on a more informal level ongoing policy problems. For information on the National Security legislation of 1947, see the editorial note in *Foreign Relations*, 1947, vol. I, p. 760.

[2] Not printed.

military matters on a continuing basis, the whole field of foreign policy purposes and the range of available means, are essential to the development of these papers relating to strategic objectives and recommendations for the appropriate allocation of resources. Such officers, of course, must prepare the material with the assistance of specialists in particular areas and fields.

Apart from close working relationships with the Military Establishment required in the preparation of broad NSC policy papers, the Director and members of the Policy Planning Staff have been closely associated with the Deputy Under Secretary, Mr. Matthews, in the increasingly wide consultation between the State Department and the Defense Establishment. This consultation includes weekly meetings with the Joint Chiefs of Staff, frequent discussions with the Joint Strategic Survey Committee and various committees of the Joint Staff, as well as close and continuing relationships with Mr. Frank Nash and the Office of the Secretary of Defense. In addition, the Director and members of the Policy Planning Staff meet on a weekly basis with the representatives of the Director of the Mutual Security, the Mutual Security Agency, and the Defense Establishment to discuss foreign aid and foreign economic matters; participate in the work of the Atomic Energy Subcommittee of the NSC Senior Staff, the Joint State–Defense conversations with the representatives of the British Government and somewhat similar conversations with the Canadian Government; and are in touch with the work of such outside groups as the Center for International Studies at M.I.T., the "East River" project, and the Panel of Disarmament Consultants.

It is by these means that a planning staff can develop the general information and background which serve to focus a wide range of interests on the problems of foreign policy.

While the greater part of the time of the Policy Planning Staff members is spent on the matters I have mentioned above, the work of the Staff also includes the preparation, in collaboration with the geographic bureaus in the Department, of NSC papers that relate to specific countries or areas. The most recent of these papers cover Berlin, South-East Asia, Latin America and Iran. The Policy Planning Staff also prepares papers for use inside the Department on such questions (to select a few recent ones) as alternatives to the European Defense Community should the EDC treaty fail of ratification, the use of the United Nations as a forum for the discussion of such problems as Tunisia and Morocco, and the distinctions in foreign policy between intentions, aims and objectives.

The Policy Planning Staff prepares other material for Departmental use in connection with international conferences and negotiations, for example: meetings of the Council of Foreign Ministers, the NATO Council, tripartite conferences with the UK and France, and negotiations on the Middle East Defense Organization, the Suez Canal Zone and the Sudan, the Korean truce talks and the Iranian Oil dispute.

A further function of the Staff, which arose from the general background its members have developed, involved the preparation and checking of important Departmental and Presidential speeches and statements and the writing of outlines for use in Congressional presentations requiring a general discussion of foreign policy.

These, I think, are the general categories in which the Staff's work has fallen in the past. The Director and individual members keep themselves informed on developments in particular areas and fields and participate in a variety of discussions, meetings and committees in the Department. Without such contact with the operating divisions, planning could easily become unrealistic and lead to policy planning papers that merely constituted a set of desirable aims rather than purposes achievable within the limits of means.

So far as recommendations with respect to the Policy Planning Staff are concerned, I think what I have said in this memorandum will indicate that I regard the continuance of a Planning Staff as an important element in the State Department contribution to the formulation of national policy and as an important device for providing, within the Department, assistance in a variety of matters that do not fall wholly within the province of specialists.

The one specific recommendation I would like to suggest concerns the participation of the Department and the Policy Planning Staff in the work of the NSC. I am sure that a good deal can be done to improve the functioning of the NSC, but I doubt whether any reorganization of the NSC will diminish by much the necessity for staff work on national policy in the State and Defense Departments.

During the past two years, the Counselor of the Department has represented the Department on the NSC Senior Staff. The Counselor's assistants have served as his alternates on the Senior Staff and as his representatives on the group known as the NSC Staff Assistants. The Policy Planning Staff, however, has continued to originate papers for submission to the Council or to review and revise proposed NSC papers originated elsewhere in the Department.

The difficulty in this arrangement arises from the fact that the responsibility of the Policy Planning Staff, which has been intimately involved in the preparation of the papers, cuts off at the point that the papers are submitted to the Council and it does not participate in the work of the Senior Staff or the NSC Staff Assistants. It would be possible, of course, to alter this arrangement by combining the functions of the Counselor and the Director of the

Policy Planning Staff or by assigning the NSC responsibility to the Planning Staff and giving the Counselor other functions. Perhaps one of these two alternatives would be desirable.

I am inclined to believe, however, that there are merits in having some division of responsibilities that should be retained. First, there is the advantage of having available two principal officers of the Department who can be used by the Secretary in dealing with the wide variety of matters that require a generalized background and ability and involve interdepartmental and intergovernmental discussion and conferences. Second, the work of the NSC Senior Staff consumes a very great deal of time and would seriously limit the attention that one officer could give to the other necessary functions of the Policy Planning Staff. I say this on the basis of personal experience, since I served on the NSC Senior Staff for some time prior to the assignment of the function to the Counselor in 1951.

I believe the advantages of the present division of responsibility can be retained and the present difficulties largely obviated by a less drastic change in the arrangements. If the Counselor had as his alternate on the Senior Staff and as his representatives on the NSC Staff Assistants, members of the Policy Planning Staff who had been directly involved in the preparation of the papers submitted by the Department then the process of completing papers for the consideration of the Council itself would be a continuing rather than a broken one, and the work of the Policy Planning Staff would be carried on in the light of full information about the views of other agencies represented on the NSC and expressed in discussions in that forum.

In its work with NSC papers and in its other functions, the Policy Planning Staff's effectiveness and utility depend, of course, on the degree to which the Secretary and the Under Secretary find in such an organization a means of increasing the depth of thought and attention given to policy matters and the degree to which the Director and Deputy Director are in a position to reflect in their guidance of the Staff the assumptions on which the administration wishes policy to be planned.

P.H.N.

S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Admin., 1950–54"

Memorandum by the Counselor (Bohlen) to the Under Secretary of State (Smith) [1]

SECRET WASHINGTON, February 16, 1953.

Mr. Nitze has sent me a copy of his memorandum to you of February 12 regarding the Policy Planning Staff because it contains certain comments and recommendations concerning State's representation on the NSC Senior Staff which in the past was handled by this office.

My only comment on S/P organization is to endorse most heartedly the importance of its continuance with possibly some further clarification as to its functions and responsibilities.

Before proceeding to the recommendations as to the future organization of NSC work in the Department, I think it should be stated that under the past procedures I do not think from my experience that the difficulties in this work arose from the fact "that the responsibility of the Policy Planning Staff, which has been intimately involved in the preparation of the papers, cuts off at the point that the papers are submitted to the Council and it does not participate in the work of the Senior Staff or the NSC Staff Assistants."

The chief problem in the NSC work has not been the discussions in the Senior Staff or the absence of participation therein by members of S/P. In the first place, it is standard practice for the Counselor or his deputy to take with him the officers who have in the first instance worked on the preparation of the papers, which has by no means always been the Policy Planning Staff.

The chief deficiency of the previous arrangement was rather the difficulty in obtaining expeditiously a State Department position for discussion in the Senior Staff. Once that was done there were no special difficulties that I recall in working the matter out with the other Departments represented on the Senior Staff which would have been materially eased by the participation of S/P in the work of the Senior Staff or the NSC Staff Assistants. It is for this reason I am not convinced that if the representation on the Senior Staff is left to the Counselor's office that the Counselor's alternate on the Senior Staff and his representatives on the Senior Staff Assistants be members of the Policy Planning Staff. In fact, I believe this would set up a system of dual authority which would be a complicating factor. The Counselor's assistants in the NSC work would at the same time be under the direction of the Director of the Policy Planning Staff and the Counselor.

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[1] Copies to Matthews and Nitze.

It seems to me that the issue is clear. If the argument is made, which indeed has merit, that a division of responsibility is desirable in the NSC work, then I would think the past procedures and organizational relationships could be maintained with very little change.

I think there are powerful arguments in logic and good administration for centering the entire NSC work in the Policy Planning Staff. Under this setup:

(1) The Senior State Member would be the Director of S/P;

(2) S/P would have primary responsibility for the preparation of all NSC papers in consultation with the geographic and other offices of the Department, and in certain problems relating only to one geographic area or one functional office the initial drafting could be assigned by S/P to that office;

(3) The Director of S/P or his deputy would represent the Department in regard to any papers where the original drafting was to be by an interdepartmental committee;

(4) An NSC Policy Group might be set up under the chairmanship of the Deputy Under Secretary of State, with the participation of the Director of S/P, the Counselor and such Assistant Secretaries as may be appropriate for the subject, in order to ensure that a paper, *before it went to the Senior Staff*, represents, in general, the position of the Department of State as a whole and not just one section thereof, i.e., S/P.

(5) This same group, with the addition of the Under Secretary and such other officers as he might designate, would be a body to advise the Secretary prior to final action by the National Security Council itself. It is believed that this mechanism would greatly expedite the preparation of papers in the Department of State and would ensure continuity between preparation and handling in the Senior Staff and that any papers going to the Senior Staff represented, in effect, Departmental positions.

The only drawback is the one mentioned in Mr. Nitze's memorandum that the Senior Staff meetings are extremely time consuming, but perhaps greater use could be made in these meetings of the Deputy Director of S/P to sit for State—a procedure which Mr. Nash in Defense has very frequently used in connection with Senior Staff meetings.

The foregoing suggestions concerning a possibly improved organization of State's representation and handling of NSC matters is obviously based upon the present functions of the National Security Council itself. Should the National Security Council be reorganized in any material sense, this would, of course, affect the entire problem of State representation.

Editorial Note

Throughout February and early March 1953, the National Security Council continued the review of basic national security policies in relation to their costs begun at the 131st meeting on February 11 (for a memorandum of discussion, see page 236). Briefings were given by the Director of the Bureau of the Budget, and letters concerning the costs of policies were exchanged between the Director and the Secretary of the Treasury. Documentation on these activities is in the Eisenhower Library, Eisenhower papers, Whitman file, "NSC Minutes", and in S/S–NSC files, lot 63 D 351, NSC 142 Series.

At the 134th meeting of the NSC on February 25, the Council in Action No. 726–b "Agreed that each department and agency should review the figures on its program" for the current fiscal year; and in Action No. 726–c "Decided to establish an *ad hoc* committee of civilian consultants to the National Security Council to study and advise the Council on basic national security policies and programs in relation to their costs". (S/S–NSC (Miscellaneous) files, lot 66 D 95, "Records of Action by the National Security Council, 1953")

At the 135th meeting of the NSC on March 4, the Council took Action No. 730 as follows:

> "a. Agreed that the initial visit to Washington of the [Civilian] Consultants for this subject [review of national security policies in relation to costs] should be chiefly for briefing purposes, and they should then be asked to return at a later date to give their reactions to the preliminary views of the Council members when more fully developed.
>
> "b. Noted a statement by the Director, Bureau of the Budget, regarding the assumptions underlying the budget outlook, and proposing the following assumptions as a basis for considering the security effects of approaching a balanced budget in FY 1954 and achieving a balanced budget in FY 1955:
>
> > "(1) That reductions in security programs other than military and mutual security will amount to about $.6 billion for each of the two years. This would allow total expenditures for those programs of $3.8 billion for 1954 and $3.6 billion for 1955.
> >
> > "(2) That expenditures for the mutual security program can be held at the 1953 level of $5.5 billion for 1954 and be reduced to $4.0 billion for 1955. This would amount to a reduction in projected expenditures of $1.9 billion in 1954 and $4.0 billion in 1955.
> >
> > "(3) That the remaining reduction ($4.3 billion in 1954 and $9.4 billion in 1955) would be applied to the military program, bringing it to $41.2 billion for 1954 and $34.6 billion in 1955.
>
> "c. Noted that the Department of Defense and the Office of the Director for Mutual Security will submit to the Council by March

17 statements as to (1) the revisions in their respective programs which would be necessary to reduce them to the levels indicated in b above, and (2) the effects of these revisions in relation to currently approved national security policies and objectives." (S/S-NSC (Miscellaneous) files, lot 66 D 95, "Records of Action by the National Security Council, 1953")

S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Admin., 1950-54"

Memorandum for the President by the Special Assistant to the President for National Security Affairs (Cutler)

RESTRICTED WASHINGTON, 16 March 1953.

Subject: Recommendations Regarding the National Security Council

I submit my recommendations for making the National Security Council more capable of carrying out effectively its statutory functions. The principal recommendations are summarized at the end of the attached Report (Part IX). [1]

Since 20 January 1953, I have participated in the daily work of the Council and its Committees, studied its policy papers and various reports, and held conferences (including three eight-hour round-table discussions) with experienced advisers.

The Council, as top mechanism in Government for aiding in formulation of security policies, has a policy-planning function and a supporting staff function:

(a) The policy-planning function should be exercised through the Council itself, composed of the highest security advisers of the President, and through a Planning Board (now called "Senior Staff"), composed of top-flight personnel to be appointed by the President from the departments and agencies. The President should appoint on his White House staff a "Special Assistant for National Security Affairs", who would insure that the President's views as to policy-planning are carried out, would act as executive officer at Council Meetings, and would preside over the Planning Board. The persons referred to in (a) would be part of and change with the Administration.

(b) The supporting staff function should be exercised through a high-calibre, permanent Council Staff, not subject to change with political change. This permanent Staff would furnish both a necessary continuity in highly sensitive matters and also maximum staff assistance to the policy-makers. The Special Assistant to the President would supervise, but not be a member of, this permanent Staff.

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[1] Part IX is not printed.

I wish to retain on this permanent Staff Mr. Lay and Mr. Gleason, who are devoted, capable, and well-informed. They will provide continuity, effectively operate the staff mechanism, and greatly help in the policy planning.

My recommendations call for adding some Staff personnel to perform functions for which no Staff personnel now exist (the six NSC Staff "think" personnel being already fully occupied). For a full year, carrying out all my recommendations would increase White House and Council expense by some $65,000.

ROBERT CUTLER

[Attachment]

Report by the Special Assistant to the President for National Security Affairs (Cutler)

RESTRICTED [WASHINGTON,] 16 March 1953.

REPORT OF RECOMMENDATIONS RELATIVE TO THE NATIONAL SECURITY COUNCIL

[Here follows a list of the nine parts of the Report.]

PART I. STATUTORY FUNCTIONS OF THE COUNCIL

1. The National Security Act of 1947 establishes: (Title I) the National Security Council,* the Central Intelligence Agency, and the National Security Resources Board; and (Title II) the National Military Establishment. The preamble to the Act declares "the intent of Congress to provide a comprehensive program for the future security of the United States; to provide for the establishment of integrated policies and procedures for the departments, agencies, and functions of the Government relating to the national security. . . ."

2. Title I of the Act, titled "Coordination for National Security," states the *functions* of the Council:

a. "to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security so as to enable the military services and the other departments and agencies of the Government to cooperate more effectively in matters involving the national security."

b. to perform "such other functions as the President may direct for the purpose of more effectively coordinating the policies and functions of the departments and agencies of the Government relating to the national security."

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* Since the 1949 amendment, the NSC has been a part of the Executive Office of the President. [Footnote in the source text. The 1949 "amendment" under reference is P.L. 81-216 (63 Stat. 578), the National Security Act Amendments of 1949, signed by President Truman on Aug. 10.]

c. from time to time to "make such recommendations, and such other reports to the President as it seems appropriate or as the President may require."

Title I further states that "it shall, subject to the direction of the President, be the *duty* of the Council:

a. to assess and appraise the objectives, commitments and risks of the United States in relation to our actual and potential military power, in the interest of national security, for the purpose of making recommendations to the President in connection therewith; and

b. to consider policies on matters of common interest to the departments and agencies of the Government concerned with the national security, and to make recommendations to the President in connection therewith."

3. Other parts of Title I provide that the Central Intelligence Agency is "under the direction of" the Council, and that the Atomic Energy Commission may communicate restricted data to other nations, provided that the President makes a determination based on a "written recommendation" of the Council.

4. Explicit or implicit in the governing statute are these basic concepts:

a. NSC deals only with issues affecting the national security;

b. NSC is advisory; by advice and recommendations to the President, it aids him to resolve the executive will;

c. NSC seeks to integrate domestic, foreign, and military policies so as to enable Government agencies to cooperate more effectively in national security matters;

d. NSC acts, according to Presidential direction, to coordinate more effectively policies and functions of Government agencies relating to the national security;

e. NSC is concerned with both our actual and our potential military power;

f. NSC is not limited to areas of agency agreement; on its own initiative, NSC may seek out areas of agency conflict or omission to act, so as to present alternative or new courses of action for executive decision.

5. The Council is a mechanism to aid the President in formulating national security policy. In that area, it should perform whatever functions the President thinks will help him best. It is believed that a proper appreciation and application of the foregoing concepts will make the NSC operate effectively. No revision of the statutory statement of functions is required.

PART II. THE COUNCIL MACHINERY

The National Security Council now operates through the following *mechanisms:*

1. The Council itself:
    - a. Council Meetings
    - b. Special Committee on Atomic Energy—
        - Secretary of State, *Chairman*
        - Secretary of Defense
        - Chairman, Atomic Energy Commission
    - c. Special Committee on COMINT (Supervises USCIB)
        - Secretary of State, *Chairman*
        - Secretary of Defense
        - Attorney General (on matters affecting FBI)
    - d. *Ad hoc* Committees and Consultants
2. The Council Staff Organization:
    - a. The Senior Staff
    - b. The Permanent Staff
3. Advisory Committees appointed by the Council:
    - a. Interdepartmental Intelligence Conference—
        - Director, Federal Bureau of Investigation, *Chairman*
        - Director of Intelligence, U.S. Army
        - Director of Naval Intelligence
        - Director of Special Investigations, U.S. Air Force
        - (NSC Representative on Internal Security—adviser)
    - b. Interdepartmental Committee on Internal Security—
        - Special Assistant to the Attorney General, *Chairman*
        - Director, Office of Controls, State Department
        - Director, Continental U.S. Defense Planning Group, Department of Defense
        - Chief Coordinator, Treasury Enforcement Agencies, Treasury Department
        - (NSC Representative on Internal Security—adviser)
4. Joint Chiefs of Staff:
    - a. "principal military advisers" to the NSC
5. The Central Intelligence Agency:
    - a. established "under" the Council
    - b. functions "under the direction of" the Council
    - c. intelligence adviser to the Council
6. Psychological Strategy Board:
    - a. reports to the Council on its activities and on its evaluation of the national psychological operations, including implementation of approved objectives, policies, and programs by the departments and agencies concerned.

PART III. MEMBERSHIP IN THE COUNCIL

1. In order to make possible a genuine exchange of ideas and foster free discussion, there should not, as a general rule, be more than *eight* persons who have the right formally to participate as Council members. This number includes Statutory Members and standing-request and *ad hoc* Participant Members; but does not include Advisers, Observers, and the Special Assistant to the President for National Security Affairs and NSC Staff Members.

2. *Statutory Members.* An ideal statute would provide that the Council should consist of the President, the Vice-President, and such other Members as the President from time to time might designate. However, in view of legislative history and present circumstances, it may be practicable to amend the statute only by (a) eliminating the provision requiring Senate confirmation of persons additionally designated by the President to the Council, (b) adding the Secretary of the Treasury, (c) transferring the Council membership of the Chairman of the National Security Resources Board (which Board is to be merged into ODM) to the Director of Defense Mobilization. It will be desirable for the immediately ensuing future that the functions of the Treasury, of Mutual Security, and of Defense Mobilization be represented on the Council, either through statutory Membership or standing-request Participant Membership. Therefore, pending final decision as to statutory change, this report does not distinguish between Statutory and Permanent-Request Membership in stating those who regularly attend Council Meetings as follows:

President
Vice President
Secretary of State
Secretary of the Treasury
Secretary of Defense
Director for Mutual Security†
Director of Defense Mobilization

3. *Participant Members.* In addition to Statutory Members, the President should be free to invite such other officials of Government to attend as Participant Members, as his convenience and the agenda items at a particular Meeting make desirable. Such invitations may be either on standing-request or *ad hoc* basis. A standing-request Participant Member attends all Meetings until the President otherwise decides. An *ad hoc* Participant Member at-

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† The present title for the head of the Mutual Security function is used in this report. It is understood that this title may later be changed. [Footnote in the source text.]

tends only such Meeting, or part of a Meeting, as he may be specifically invited to attend.

4. *Advisers, Observers, Staff.* In addition to Statutory and Participant Members, there will be in attendance at each Council meeting the following persons who do not formally participate as Council Members:

a. *Advisers:*

Chairman, Joint Chiefs of Staff
Director, Central Intelligence Agency
Special Assistant to the President for Cold War Planning

b. *Observers:*

Such person or persons as the President may desire to attend for the purpose of observing, but not participating—like his Military Liaison Officer. Observers are not seated at the table.

c. *Staff:*

Special Assistant to the President
Executive Secretary
Deputy Executive Secretary

5. a. Civilians without departmental responsibilities should not be invited to sit as Participant Members.

b. In order to bring to the Council deliberations a fresh, frequently-changing civilian point of view and to gain public understanding of national security problems through the use of civilians of stature, from time to time the President should appoint on an *ad hoc* basis one or more Civilian Consultants or small Civilian Committees as informal Advisers to the Council. This mechanism should be so used that no public impression arises that any persons or committees have been interposed between the President and his responsible Cabinet Ministers. Therefore, as a general rule, a Civilian Consultant should not formally participate in a Council Meeting and a Civilian Committee should appear at a Council Meeting only when its report is presented.

c. Examples of potential usefulness of Civilian Consultants or Civilian Committees—

(1) to consider and report to the Council on some specific new proposal or some long-range general project, after which its report would be reviewed by the departments and agencies concerned.

(2) to review for the Council some proposal developed and recommended by the Policy Planning Board.

PART IV. COUNCIL MEETINGS

1. A regular Council Meeting time should be established and maintained, except in emergency or when omitted; such as Wednesdays from 10:30 a. m. until luncheon. Special Council Meet-

ings should be called by the Special Assistant at the request of the President.

2. The agenda for a Council Meeting should be determined by the President, acting through the Special Assistant. Selectivity and discretion must be used in composing the agenda.

3. Each Statutory and Participant Member and each Adviser should attend every Council Meeting in person. If substitution is necessary, the identity of the substitute should be cleared with the Special Assistant before the Meeting in sufficient time for Presidential consideration.

4. If the President is unable to attend a Meeting, he should designate to preside in his place (in priority): The Vice-President; the Secretary of State. The Special Assistant never presides.

5. The President as Chairman should lead the discussion at Council Meetings. He should exercise that leadership by asking for views around the table so as to bring out conflicts and so as to create a sense of team participation among those present in making the policy which they must later carry out. The Presidential decision may be announced at a Meeting or upon further consideration of the recommendations made to him at such Meeting.

6. Members of the Congress should not be asked to attend meetings of the National Security Council.

PART V. EXECUTIVE OFFICERS OF THE COUNCIL

1. The Special Assistant to the President for National Security Affairs should be the principal executive officer of the National Security Council and should serve as Chairman of the Council's Planning Board. He should not have status as a Statutory or Participant Member or preside at Council Meetings. He should be appointed by the President on the White House Staff and compensated at $20,000 a year.

2. There should be an Executive Secretary and a Deputy Executive Secretary of the National Security Council, appointed by the President and compensated respectively at $15,000 and $14,000 a year. Under the supervision of the Special Assistant, the Executive Secretary should be the head of the NSC Staff, act for the Special Assistant in his absence, and advise and aid him in the performance of his duties.

3. The principal duties of the Special Assistant should include:

a. Determination of agenda for, and presentation of material for discussion at, Council Meetings.

b. Briefing the President during the afternoon before each Council Meeting on matters covered by the agenda, assisted by the Executive Secretary.

c. Determination of agenda and scheduling of work for Planning Board meetings.

d. Presiding at, and participating in, Planning Board meetings.

e. Responsibility for the rate of flow of work through the Planning Board, and the manner of presentation and quality of such work.

f. Appointment of *ad hoc* Staff groups and *ad hoc* Civilian or Civilian-Staff committees.

g. Bringing to the attention of the President, with recommendations for appropriate action, lack of progress on the part of an agency in carrying out a particular policy which has been assigned to it; where it is not possible to expedite performance at the Planning Board level.‡

h. Supervision, through the Executive Secretary, of the work of the NSC Staff (See Part VII).

PART VI. PLANNING BOARD OF THE COUNCIL

1. At present, the principal body for formulation and transmission of policy recommendations to the Council is called the "Senior Staff". Composed of Members and Advisers from departments and agencies concerned with national security, it has these functions:

a. To anticipate and identify problems and situations affecting the security objectives, commitments, and risks of the United States, and initiate action to provide the required analyses and draft policy statements for the consideration of the Council.

b. To facilitate the formulation of policies, during the process of drafting policy recommendations, by marshaling the resources of the respective departments and agencies; by identifying the possible alternatives; by endeavoring to achieve acceptable agreements; by discussing differences; by avoiding undesirable compromises which conceal or gloss over real differences; and by reducing differences to as clearly defined and narrow an area as possible prior to reference to the Council.

2. The name, "Senior Staff", should be changed to planning board. This Board should have the same functions, be strictly limit-

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‡ The Council is an advisory, not an operational, body. It is not appropriate for its permanent Staff to follow-up on policy performance, beyond the valid requirements now in effect for periodic progress reports and semi-annual status of projects reports.

Once a policy is assigned among Cabinet members for performance, each such Cabinet member is responsible to the President for accomplishing his assignment. Because the President himself has not the time to undertake the various follow-ups, the Special Assistant should bring to his attention situations where progress is delayed, with recommendations for action. The Special Assistant's function should be to inspect, not to evaluate or direct. Upon receiving the Special Assistant's report and recommendations, the President should decide whether to put the matter on the Council agenda for an ensuing meeting, appoint an *ad hoc* Council Committee, appoint an *ad hoc* Civilian Committee, or deal otherwise directly or indirectly with the problem. [Footnote in the source text.]

ed as to membership, and be composed of persons from these offices:

Members	Special Assistant to the President (*Chairman*)
	Department of State
	Department of the Treasury
	Department of Defense
	Director for Mutual Security
	Office of Defense Mobilization
Advisers	Office of the Joint Chiefs of Staff
	Central Intelligence Agency
	Psychological Strategy Board
Staff	Executive Secretary
	Deputy Executive Secretary
	Coordinator, Board Assistants

a. Each Adviser has the full right to have included in any report sent up to the Council, in his own words, any disagreement on the part of his department or agency with any part of such report.

b. Other departments and agencies may be asked by the Board's Chairman to attend meetings of the Board on an *ad hoc* basis, in accordance with the agenda to be taken up at a particular meeting.

3. The effective functioning of the Council is directly related to the calibre of the Planning Board personnel and to the amount of time which each Member or Adviser devotes to his Planning Board work. To that end, a Member or Adviser should:

a. be nominated by the head of the department or agency to the President;

b. be appointed by the President, upon approval by the Special Assistant; with the title of "Special Assistant to the (Secretary of State) for NSC Affairs";

c. have as his principal responsibility, which overrides all other duties and with which no other duty can interfere, his work with the Board, including preparation for and attendance at meetings; yet at the same time continue to be sufficiently in the stream of activity of his department or agency so as to be capable of representing its views;

d. have direct access to and the personal confidence of the head of his department or agency;

e. have the authority of the head of his department or agency to utilize its resources to perform his Board function;

f. have an unbreakable engagement to brief the head of his department or agency before every Council Meeting;

g. have such Assistants as the size and demands of his department or agency require;

h. have access to a study room at the NSC offices.

4. The Planning Board is assisted in the drafting of papers by the

Assistants (4[*3*]-g above), acting under a Coordinator selected from the NSC Staff.

5. The Special Assistant, as Chairman, should preside at Board Meetings. He should set the frame of reference and analyze the problem at the outset. He should lead the discussion in such manner as to bring out the most active participation by all present and the most expeditious dispatch of business.

6. In order for the Board properly to function, each Board Member and Adviser should be prepared promptly to state to the Board the views of his department or agency as to a report being prepared in its final form for submission to the Council.

7. Since each Board Member or Adviser must express and stand by his honest views, those views, if substantial conflicts cannot be fairly resolved, may never be suppressed or compromised, but should be reported to the Council.

8. The traffic of ideas to the Board may be either (a) from the Council downward for study and report back with recommendations, or (b) from any department or agency, or (c) from any Member or Adviser of the Board. Good ideas may germinate at any level. It is important that the Board be constantly made aware of the matters in which the Council is interested and desires to have worked upon in priority. It is also important that if an idea germinates other than in a department or agency which is concerned with the general area, such department or agency should be consulted in establishing the frame of reference.

9. Papers sent up from the Board to the Council for action, if longer than a few pages (which may well be necessary for background material) should be preceded by a summary or the specific recommendations (referring to numbered paragraphs in the longer text).

PART VII. THE NSC STAFF

1. The NSC Staff will continue to perform the following duties—

a. Furnishing the secretariat for the Council, including the preparation of the agenda, record of actions and status of projects, reproducing and distributing papers for the Council, and maintaining the official Council files.

b. Acting as the official channel of communication for the Council, including notifying agencies of assignments to carry out approved policies.

c. Briefing the Vice-President before each Council Meeting on matters covered by the agenda, and providing him with such other staff assistance on NSC matters as he may desire.

d. Matters related to personnel, pay and office facilities.

e. Preparation of the Budget.

f. The operations of the Reporting Unit.

2. The present NSC Staff consists of:

(a) *Executive* (7)—Executive Secretary, Deputy Executive Secretary, Administrative Officer, 3 secretaries, 1 chauffeur-messenger
(b) *Internal Security* (2)—Internal Security Officer, 1 secretary
(c) *Registry* (8)—Assistant to Executive Secretary, Administrative Assistant, 6 secretarial-clerical
(d) *Reporting Unit* (3)—Assistant Executive Secretary, 1 Assistant, 1 secretary
(e) *Staff Assistants* (3)—Coordinator of Staff Assistants, Research Assistant, 1 secretary

This total personnel (23) is fully engaged in carrying on necessary staff work.

3. There has been too great a time-lag between the initiation of a project and action upon it by the Council. As of February 16, 1953 20 projects were before or on their way up to the Council, after time-lapse as follows—

Number of Projects	*Pending Final Action*
3	over 20 months
3	over 10 months
5	over 4 months
1	over 2 months
8	less than 1 month

This time-lag can be reduced by a strengthened Planning Board, by provision of a directing executive with ready access to the President, and by adding three Special Staff personnel.

4. The NSC Staff should be strengthened by the creation of a small Special Staff to assist in performing, among other, the following duties—

a. independent analysis and review of each Planning Board report before its submission to the Council by—

(1) examination of all documents (such as intelligence estimates, JCS papers, evaluations by theater commanders, etc.) referred to in the report in order to verify the reference.

(2) examination of the report to determine that it states the issues comprehensively and clearly; that it develops the subject logically and presents, as a standard procedure, the alternative courses of action and the factors which support and which oppose each alternative; and that the conclusions reached are meaningful as operational guidances.

(3) amendment of the report, in conformity with (1) and (2), before final approval and forwarding by the Planning Board. If the reviewing function cannot be completed by a deadline, the report should be forwarded marked "tentative" and later be fully reviewed before the subject is considered disposed of.

b. continuous examination of the totality of national security policies with a view to determining if gaps exist which should be filled and if important issues or anticipated developments are sufficiently explored.

c. continuing integrated evaluation of the capabilities of the free world versus the capabilities of the Soviet and satellites, and estimates of the situation, in order to bring such evaluations and estimates before the Council.

d. providing a chairman or member of, or observer with, *ad hoc* civilian or civilian-staff committees, and assistance, in recruiting such committees.

e. keeping currently informed on the status of all national security programs and seeing that reports and pertinent information thereon are currently available (thus incorporating the present functions of the Reporting Unit).

5. a. Members of this Special Staff should be employed (full or part-time) by the Executive Secretary, subject to the approval of the Special Assistant. The annual compensation depending upon age and experience, should be between $6,000 and $14,800.

b. The ideal person for the Special Staff should have intellectual breadth and acuity, general experience, capacity for work, selflessness, tact and ability to work with others, rather than any specialized knowledge in a particular field. It will be desirable that one member of the special Staff have an experienced background in scientific problems.

c. The Deputy Executive Secretary should be a member of and supervise the Special Staff, and be responsible for its assignments, work load, and functioning.

6. The Internal Security Officer should be provided with a Staff Assistant, because of his work load and responsibility.

7. The permanent Council Staff, upon carrying into effect the above recommendations, would consist of 28 persons:

(a) *Executive* (6)—Executive Secretary, Deputy Executive Secretary, Administrative Officer, 1 Administrative Assistant, 1 secretary, 1 chauffeur-messenger

(b) *Internal Security* (3)—Internal Security Officer, 1 Assistant, 1 secretary

(c) *Registry* (8)—Assistant to the Executive Secretary, 1 Administrative Assistant, 6 secretarial-clerical

(d) *Board Assistants* (3)—Coordinator of Board Assistants, Research Assistant, 1 secretary

(e) *Special Staff* (8)—3 Staff members, 2 Staff Assistants, 1 Administrative Assistant, 2 secretaries

The above tabulation does not include the Special Assistant to the President and his secretary, who are members of the White House Staff.

8. There should be allocated in the Executive Offices Building space sufficient to accommodate the personnel described in this report, including the Special Assistant to the President and his secretary. Such space should be so located as to be capable of being made a restricted security area.

[Here follow Part VIII, "Estimated Council Budget" (1 page), and Part IX, "Summary of Principal Recommendations" (4 pages).]

S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Admin., 1950-54"

The President to the Special Assistant to the President for National Security Affairs (Cutler)

RESTRICTED WASHINGTON, March 17, 1953.

DEAR MR. CUTLER: I am returning your letter to me dated March 16, 1953, with its enclosed report of recommendations regarding the National Security Council. [1] I understand that in the preparation of this report you have had the assistance of the Director and Staff of the Bureau of the Budget and of the President's Advisory Committee on Government Organization.

I approve both your letter and the recommendations, and direct that they be circulated promptly to the Council for information and guidance.

Please call the special attention of Council Members to Part VI of the Report ("Planning Board of the Council"). It is my wish that you bring to me as soon as you conveniently can the names of persons nominated by department and agency heads as Members or Advisers of the Planning Board, who are approved by you, so that I can decide on their appointments and the Planning Board can begin to function. I place great emphasis on the selection of men of high calibre for these positions, able to devote plenty of time to their Planning Board functions; for thereby the Council will be better able to operate promptly and effectively.

You will submit the appropriate budget amendments for FY 1954 to the Bureau of the Budget and take up with Mr. Steffan the arrangement for necessary space in the Executive Offices Building, capable of being made into a restricted security area.[2]

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[1] *Supra.*

Sincerely yours,

DWIGHT D. EISENHOWER

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[2] On Mar. 17, Lay circulated to the National Security Council, and to the Secretary, of the Treasury, the Acting Director of Defense Mobilization, the Chairman of the Joint Chiefs of Staff, and the Directors of Central Intelligence and the Bureau of the Budget, copies of this letter together with the memorandum by Cutler to the President of Mar. 16 with its enclosed report. In his covering memorandum Lay called "Special Attention" to the third paragraph of the President's letter dealing with the Planning Board of the Council "about which Mr. Cutler will confer with you individually." (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Admin., 1950–54")

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 138th Meeting of the National Security Council, Wednesday, March 25, 1953[1]

[Extract]

TOP SECRET EYES ONLY

Present at the 138th meeting of the Council were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; and the Director for Mutual Security. Also present were the Secretary of the Treasury; the Director, Bureau of the Budget; the Deputy Secretary of Defense (for Items 3 and 4); the Secretary of the Army (for Items 3 and 4); the Secretary of the Navy (for Items 3 and 4); the Secretary of the Air Force (for Items 3 and 4); the Chairman, Joint Chiefs of Staff; the Chief of Staff, U.S. Army (for Items 3 and 4); the Chief of Naval Operations (for Items 3 and 4); the Chief of Staff, U.S. Air Force (for Items 3 and 4); the Commandant, U.S. Marine Corps (for Items 3 and 4); Assistant Secretary of Defense Nash (for Items 3 and 4); Captain Paul L. de Vos, USN, Joint Chiefs of Staff (for Item 3); the Acting Director of Central Intelligence; the Special Assistant to the President for National Security Affairs; the Special Assistant to the President for Cold War Planning; the Military Liaison Officer; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a general account of the main positions taken and the chief points made at this meeting.

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[1] Drafted by Deputy Executive Secretary Gleason on Mar. 26.

4. *Review of Basic National Security Policies: The Military and Mutual Security Programs* (NSC Action No. 730–c;[2] Memos for NSC from Executive Secretary, subject: "Review of Basic National Security Policies: The Mutual Security Program", dated March 20 and 24, 1953; Memo for NSC from Executive Secretary, subject: "Review of National Security Policies: The Military Program", dated March 24, 1953[3])

With respect to this item on the agenda, Mr. Cutler called the Council's attention to two memoranda which had just been distributed, one of which constituted the views of the Joint Chiefs of Staff with respect to the military effects of the proposed reduction of expenditures for military assistance in the FY 1954 and 1955 programs of the Mutual Security Administration, and the second of which set forth the effect of proposed budget cuts in FY 1954 and 1955 on the military program, as called for in NSC Action No. 730–c. Mr. Cutler informed the Council that the forthcoming oral briefing would be given by the Chiefs of Staff, to be followed by General Bradley and the Secretary of Defense. Mr. Cutler also noted that the three Service Secretaries would be on hand to answer any detailed questions which might arise from the presentation.

General Collins spoke first on the effect of the proposed cut on Army programs, concluding that the proposed cut would have not only grave military implications for the national security, but would give rise to equally serious political and diplomatic difficulties.

Admiral Fechteler followed with a description of the effect of the cuts on the Navy program, which were depicted as hardly less serious than for the Army. It might be possible, Admiral Fechteler concluded, to maintain under these cuts the immediate operational capability of the naval forces in being on D-day, but only at the expense of the sustaining power of the Navy's forces.

General Shepherd, speaking for the Marine Corps, concluded that the effect of the proposed reductions on the contribution of the

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[2] Regarding NSC Action No. 730–c, see the editorial note, p. 244.

[3] The two memoranda from the Executive Secretary to the NSC entitled "Review of Basic National Security Policies: The Mutual Security Program" dated Mar. 20 and 24, 1953, neither printed, transmitted the statement prepared by the Director for Mutual Security in conformity with NSC Action No. 730–c and the views and comments of the Joint Chiefs of Staff thereon. For an undated summary of the statement prepared by the Director for Mutual Security circulated to the NSC by Lay on Mar. 30, see vol. I, Part 1, p. 596. The memorandum from Lay to the NSC entitled "Review of National Security Policies: The Military Program" dated Mar. 24, not printed, transmitted the statement prepared by the Department of Defense in conformity with NSC Action No. 730–c. Copies of all three of these memoranda are in S/S–NSC files, lot 63 D 351, NSC 142 Series.

Marine Corps to the national security, was such as to deprive the proposed reductions of any justification.

General Vandenberg indicated the particular difficulties which the proposed reductions would inflict on the Air Force, since it had been compelled to start out from a lower point than the other services and had the furthest to go in achieving the goals set forth for it. His general conclusion as to the danger of the cut was similar to that of the other Chiefs of Staff.

When the Chiefs of Staff had finished their oral presentation, the President observed that perhaps the Council should have a report as to whether national bankruptcy or national destruction would get us first.

General Bradley followed with a short statement dealing first with his own judgment as to the very serious results which could be anticipated from acceptance of the reductions proposed for the military program, as well as the serious effects on our allies of the proposal to cut drastically military assistance for them, as set forth in the Mutual Security Program.

The Defense Department presentation was then taken over by Assistant Secretary Frank Nash, who commented orally on the memorandum and chart prepared at the President's request for information on the comparative costs of equipping and maintaining a United States division and certain foreign infantry divisions. Mr. Nash's presentation gave rise to considerable discussion about the "divisional slice". General Collins explained that the problem of the much larger divisional slice for a U.S. division, as compared to various foreign divisions, was under constant study in the Defense Department and indeed was being constantly reduced.

The President betrayed some impatience with General Collins' exposition of this problem, and said: "Explain it away as you will, the cost of maintaining an American soldier in the field is fantastically higher than the cost of maintaining a foreign soldier." This fact at any rate is undeniable, said the President, and we have got to do something about it. There might be a good deal in Governor Stassen's argument that it was cheaper to provide assistance to create and maintain foreign divisions in the field than to go ahead so rapidly in the development of additional U.S. divisions.

The last speaker for the Defense Department was Secretary Wilson, who in the first instance warned that the written and oral reports which the Defense Department had provided were not to be thought of as final conclusions or recommendations. Everything that had been discussed would have to be looked at again before the magnitude of the reduction could be determined. The whole problem, said Secretary Wilson, was extraordinarily difficult, and much of the difficulty arose from the mobilization base concept and the assumption that you can only have sufficient resources to win a war if you have this mobilization base in being and ready to produce. Not less difficult was the problem of the critical period and the estimate of when an enemy attack might be expected. Both of these problems, thought Secretary Wilson, would have to be looked at carefully again.

At the conclusion of the Defense Department presentation, the President turned to General Collins and told him that he ought to have had his people provide an estimate to indicate that the impact of the proposed cuts might be considerably less serious if the heavier cuts were planned for 1955 or thereafter, rather than in 1954.

General Collins, Secretary Wilson, and General Vandenberg all replied to the President by pointing out that it was precisely the cut in 1955 which would have the most serious effect on our military capabilities.

Secretary Humphrey said that for purposes of argument the Council assume for the moment that our permanent posture of defense, beginning with 1956, would be one-half the figure in the Truman budget for FY 1954, and that further, this posture would have to be held for the next ten years. With this assumption in mind, continued Secretary Humphrey, will it be easier to build on the basis of the old program up to FY 1956 and xhen scale down abruptly, or to begin to scale down with the FY 1954 budget? This seemed the essence of the problem to him and the point to which the Council should address itself.

Secretary Wilson expressed serious doubts as to the reality of the antithesis presented by Secretary Humphrey, who replied, however, that the only alternative seemed to him to look forward to an unbalanced budget for the indefinite future.

The President expressed sympathy for Secretary Humphrey's position, and added that if we must live in a permanent state of mobilization our whole democratic way of life would be destroyed in the process.

The Director of the Budget reinforced Secretary Humphrey's arguments with a projection of the deficit figures which lay ahead if the present and projected programs and Treasury receipts continued. With some heat, Mr. Dodge explained to the Council that in raising the issues and suggesting an investigation of the effect on the national security programs of an attempt to balance the budget, he was innocent of any charge that the Bureau of the Budget was attempting to establish foreign and military policy by means of budget restrictions. He had no desire whatever to frame such policy. He was merely looking at the facts which confronted the Bureau of the Budget, and asserted that whatever decision was reached by the Council to solve this dilemma must be based both on the fiscal and budgetary facts on the one hand and the effects on the national security on the other.

The President replied that Mr. Dodge could consider himself exonerated from the charges he had mentioned.

Governor Stassen reverted to a position which he had taken on the subject at previous Council meetings, by noting the importance of investigating the question of the potential income growth and the capabilities for expansion of the American economy.

In reply to Governor Stassen's familiar position, the President said that he was glad to defer to Governor Stassen's political acumen and experience, but he was sure that Governor Stassen realized what a terrific problem would be created on the Hill if the present Administration went to the Congress with a program of tax increases instead of tax reductions. It was all the more exasperating, said the President, that as nearly as he could determine, more Americans were travelling de luxe style to Europe than ever before. People were spending money at an extraordinary rate and at the same time yelling about the burden of their taxes. It seemed to the President extraordinarily difficult to get Americans to see clearly the relationship between a balanced budget and decreased taxes, on the one hand, and the threat to the national security, on the other.

Secretary Humphrey then explained to the Council in some detail the difficulties that the Treasury faced in paying bills to the amount of $3 billion which were coming up on June 30 of this year. Even bonds bearing an interest rate of 3½% apparently would provide only $375 million to pay these imminent debts of the Government. Yet if it proved impossible to finance this $3 billion debt, we would presently find ourselves starting all over again on an inflationary cycle which could only end with a resort to controls and a planned economy along New Deal lines. As the Secretary of the Treasury saw it, the money and resources required by the great security programs which had been developed since Korea to the present time, simply could not be borne by the United States unless we adopted essentially totalitarian methods.

The President said that the oral presentations by the Defense Department, and the subsequent discussion by the Council, gave rise to two questions in his mind. The first of these he addressed to Secretary Humphrey, inquiring whether the Treasury Department had given any thought to setting forth the facts that bore on the situation which the Treasury faced in its efforts to find the $3 billion which it would owe on June 30. The President thought that such facts should be made available to the public.

Secretary Humphrey replied that the Treasury had not as yet undertaken to draft such a report to the people, nor did he feel that it would be profitable or even possible to make such a report until he was more certain of the direction that the country would take at the beginning of the next fiscal year and after we had got over the hurdle represented by the $3 billion.

The President said that what he had in mind was that Secretary Humphrey make as clear as possible the significance of the immediate problem the Treasury faced in meeting the $3 billion in obligations, but to touch rather more lightly on the long-range implications of continued expenditure at such levels. Perhaps, suggested the President, what he really had in mind was an educational program which would inform the American people as to the philosophy and policy of the former Administration, and what the change of policy which the present Administration hoped to effect really meant. This would at least have the advantage of indicating the great difficulties which the Republican Administration faced in this area.

The President directed his second question to Secretary Wilson. This was a reiteration of the point made on several earlier occasions as to the feasibility and desirability of cutting overhead and duplication in the military program. When, asked the President could Secretary Wilson give him a study of the economies that could be anticipated in this vital area?

Secretary Wilson replied by pointing out the difficulty of effecting economies in this area sufficient to meet the problem of assuring the security of the nation and approaching a balanced budget. While Secretary Wilson stated that he was quite certain that economies could be carried out without producing quite such drastic effects on the nation's security as those which had been described by the spokesmen for the Defense Department, he nevertheless felt compelled to warn that this was far from an easy task.

The President adjourned the meeting at 12:45, saying facetiously that the "Williamsburg" [4] was clearly in jeopardy.

The National Security Council: [5]

a. Noted and discussed the reference memoranda of March 24 on the subject, in the light of the following oral briefings:

(1) The Army Program, by General Collins.
(2) The Navy Program, by Admiral Fechteler.
(3) The Marine Corps Program, by General Shepherd.
(4) The Air Force Program, by General Vandenberg.
(5) The Joint Chiefs of Staff comments on the Military and Mutual Security Programs, by General Bradley.

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[4] Reference is to the Presidential yacht.

[5] Paragraphs a-b constitute NSC Action No. 752. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Record of Actions")

(6) Approximate Costs of Equipping and Maintaining U.S. and Foreign Infantry Divisions, by Assistant Secretary Frank Nash.

b. Noted the President's desire that the Secretary of Defense make a tentative estimate of the savings that might be made in the military program by reducing overhead and duplication.

Note: The action in b above subsequently transmitted to the Secretary of Defense for implementation.

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S. Everett Gleason

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at a Special Meeting of the National Security Council, Tuesday, March 31, 1953 [1]

TOP SECRET EYES ONLY

On Tuesday, March 31, 1953, the National Security Council met informally with the Civilian Consultants designated by NSC Action No. 726-c, for the purpose of obtaining the reactions of the Civilian Consultants to the preliminary views of the Council members regarding basic national security policies and programs in relation to their costs, pursuant to NSC Action No. 730-a. [2]

Present at the meeting were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of the Treasury; the Secretary of Defense; the Director for Mutual Security; the Director, Bureau of the Budget; the Director of Central Intelligence; the Acting Director of Defense Mobilization; the Federal Civil Defense Administrator; the Chairman, Atomic Energy Commission; the Deputy Secretary of Defense; the Assistant Secretary of Defense (Comptroller); the Special Assistant to the President (for FCDA presentation only); the Special Assistant to the President for National Security Affairs; the Special Assistant to the President for Atomic Energy Affairs; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC. The Civilian Consultants present were as follows: Messrs. Dillon Anderson, James B. Black, John Cowles, Eugene Holman, Deane W. Malott, David B. Robertson, and Charles A. Thomas.

A summary of the discussion at the meeting follows:

Mr. Cutler first briefed the Council members and the Consultants on the program for the all-day meeting and the issues to which attention should be devoted. Mr. Cutler was followed by the Director of the Budget.

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[1] Drafted by Deputy Executive Secretary Gleason on Apr. 7.

[2] Regarding NSC Actions No. 726-c and 730-a, see the editorial note, p. 244.

Mr. Dodge's briefing recapitulated the deficits of the past and present, and the projected deficits for the future in the absence of cuts in the Mutual Security and Defense Department programs. In conclusion, Mr. Dodge emphasized the need for a decision on these cuts not later than the end of April.

Secretary Humphrey followed Mr. Dodge, and in addition to stressing the danger of continued deficits, pointed out the critical situation which would face the Treasury Department on June 30, when it would owe $3 billion and would have no money in the till. This specific situation, concluded Secretary Humphrey, emphasized the vital need for a reversal of the previous Administration's spending policy. Continuation of this policy would bankrupt the free world and force the United States itself to abandon its way of life. We were at the fork in the road and a decision would have to be made.

The Secretary of Defense then took the floor to reply to the question put to him on March 25 by the President, as to how much the Department of Defense could save annually in overhead and duplication. Secretary Wilson stated that the answer to this question was difficult because it ignored the factor of a real change in policy. His best guess, however, is that elimination of overhead and duplication would result in a saving of $1 billion a year. This saving, cautioned Secretary Wilson, rested on the assumption that the Secretary of Defense would get real help from the committee which was at present studying the reorganization of the Department of Defense. Most of this $1 billion, he concluded, would be saved from reductions in personnel.

Secretary Dulles then discussed the political repercussions to be anticipated from the carrying out of the estimated reductions for FY 1954 and 1955 in the Mutual Security and Department of Defense expenditures as such reductions were reported to the Council on March 18 and March 25. Secretary Dulles stated that it was the belief of the State Department that global war was not inevitable, but that it remained a real possibility. The greatest danger of such a war would come from Soviet miscalculation of the intentions of the United States or from further free world success in the alleged encirclement of the Soviet bloc, or, finally, from a collapse of the United States rearmament program. Secretary Dulles stated his conviction that it was perfectly possible to protect this country against all these risks. By all odds the greatest single prevention of global war was a strong and vigorous United States—a United States whose capabilities both our friends and our enemies would respect. It further seemed to Secretary Dulles that our potential strength was of greater significance than our actual strength in being. Beyond this, Secretary Dulles pointed out, we must take clear positions so that war could not result from Soviet miscalculations. There must be no repetition of the fuzzy situation in Korea in the spring of 1950, which constituted an invitation to the Soviets to move against South Korea.

Secretary Dulles called attention to the statement which had been issued on the occasion of the recent visit of Premier Mayer and his Ministers, [3] which warned the Communists against assuming that the conclusion of an armistice in Korea would leave them free to intervene against Indo-China.

The third factor in preventing global war, continued Secretary Dulles, was a firm policy to hold the vital outpost positions around the periphery of the Soviet bloc. As examples, he cited Japan, Indo-China, India, Pakistan, Iran and NATO, and he further warned that the loss of any one of such positions would produce a chain reaction which would cost us the remainder. Accordingly, the State Department felt it necessary, short of general war, to avoid losses of key positions to the Communists, who won't themselves invite a global war, but who will stand ready to pick off all the choice positions offered to them locally by "civil wars".

Secretary Dulles found the European situation much improved, but pointed out that many European countries were seriously overextended and were in grave danger of economic or financial collapse. The result of such collapses would be the installation in these countries of governments of the far left. The situation was precarious; internal disintegration was much harder to identify and to meet successfully than an overt act such as a Soviet march across Europe. To prevent such internal disintegration and collapse, thought Secretary Dulles, would presumably require an expenditure in the next fiscal year of some $5 to $6 billion in assistance to our allies, though the size of this amount would depend in considerable degree on the final shape of American trade policy, which was now under study. Secretary Dulles, thought it almost certain that the NATO targets would have to be stretched out. It was also likely that several hundred millions more would be required in United States assistance to help the French liquidate the Indo-China affair, if the French finally came up with a vigorous program for that area.

Japan, said Secretary Dulles, was living to a considerable extent off United States expenditures for the prosecution of the Korean war. If and when this war was settled, however, we would need to give further economic assistance to Japan, though here, too, the amount would depend on American trade policies.

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[3] For documentation on the visit to Washington of French Premier René Mayer in March 1953, see volume VI, and vol. XIII, Part 1, pp. 400 ff.

Secretary Dulles noted that our policy of assistance to India would cost $50 million in FY 1953. $140 million seemed likely for FY 1954, though even this amount was sufficiently low to cause much anxiety in the State Department. Secretary Dulles doubted the wisdom of cutting the figure for India much below $100 million.

His thorniest problems, said Secretary Dulles, were represented by Iran and the Arab States in general. These problems were predominantly political in character. Accordingly, no large sums can be spent in these areas at the present time. If, however, peace between Israel and the Arab States should be achieved, the problem of the Arab refugees would have to be liquidated. This would call for a substantial United States contribution as well as added military assistance to the nations of the Middle East.

In Turkey, the question was whether the Turks could continue to maintain the military forces they have in being, without assistance from us. We regard the maintenance of these forces as vital to our security, but the burden is excessively heavy for the Turks to bear.

The Latin American states, warned Secretary Dulles, are a problem which we can never afford to forget. Anti-American forces were on the march in many of these republics, and we might well wake up ten years from now to find that our friends in Latin America had become our enemies. Certainly we could not abruptly cut off aid to Latin America, though a reduction might occur during a transition from loans and grant aid to other kinds of assistance.

In summary, Secretary Dulles noted that the assistance program for the maintenance by the United States of these outpost positions, while absolutely indispensable, would not call for the expenditure of vast sums. Secretary Dulles believed that the figure of $6 billion a year was probably reasonable, but said that he would defer to Governor Stassen on this point.

Secretary Dulles then turned to ways and means of ending the peril represented by the Soviet Union. This, he said, could be done by inducing the disintegration of Soviet power. This power is already overextended and represents tyrannical rule over unwilling peoples. If we keep our pressures on, psychological and otherwise, we may either force a collapse of the Kremlin regime or else transform the Soviet orbit from a union of satellites dedicated to aggression, into a coalition for defense only. Of course, said the Secretary of State, no one can surely tell, but Stalin's death [4] certainly marked the end of an era. There is no real replacement for Stalin the demi-god. The current peace offensive is designed by the Soviets to relieve the ever-increasing pressure upon their regime. Accordingly, we must not relax this pressure until the Soviets give promise of ending the struggle. The amount of dollars this will take will certainly fluctuate, but the American effort must not now be abandoned.

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[4] The death of Stalin had been announced on Mar. 5, 1953.

At the conclusion of Secretary Dulles' briefing, the President contrasted the free world coalition with the Soviet-dominated mass. Since the Soviets are totalitarians, the President pointed out, they could assign whatever proportion of national income they desire to warlike purposes. We, who are dedicated to raising the standards of living for all peoples, are inhibited from such methods. That is what we are up against when we try to match our resources with those of the Soviet bloc, and we should never lose sight of this fact. The President emphatically endorsed Secretary Dulles' warning against any relaxation of pressure on the USSR.

The Director of Central Intelligence then briefed the Council on the general subject of the adequacy and accuracy of intelligence relative to the Soviet Union as the basis on which our policies and programs must in part be developed. After describing the major categories of such intelligence, Mr. Dulles freely admitted shortcomings of a serious nature. We must remain highly critical of our intelligence effort, he concluded, but we must not be defeatist in the face of the difficulties of securing adequate information.

After further discussion, particularly of the recent Communist peace moves in Korea in the light of Mr. Dulles' briefing, Mr. Cutler informed the Council that the views of the Consultants with respect to the general problem which had brought them to Washington, would be presented by Mr. Dillon Anderson. While there was near unanimity in the views of the Consultants, others of them desired to be heard after Mr. Anderson had read his written report.

Mr. Anderson expressed satisfaction with the briefing which the Consultants had received over the past three weeks on all the general aspects of the basic problem of reconciling an adequate posture of defense with a balanced budget. He recommended much greater candor by the Administration in setting forth to the American people the nature of the Soviet threat, the grave fiscal situation, and the resulting dilemma. Mr. Anderson expressed disapproval of continued deficit financing on the one hand or of increased taxation on the other. "We have bitten off more than we can chew", and accordingly, reductions in certain areas must be made. According to Mr. Anderson, the Consultants did not disagree with the basic security objectives of this Government, but these objectives were so general in nature that the courses of action to achieve them were themselves a matter of policy. For this reason the scope, pace, timing, priority, feasibility, and costs of these policies and programs ought to be re-examined with the greatest care. In general the Consultants believed, said Mr. Anderson, that the cost of rearmament since 1950 had been excessive, and would continue to be excessive until there was a clarification of the role and the mission of the three Services. There was obviously much duplication here, and it was now time to review a rearmament program which had been initially undertaken in haste and in fear. We should restore confidence to this nation for the long pull, but at the same time immediate savings can be made. Emphasis in this review should be placed on the areas where the United States was strongest, as, for example, in the field of atomic energy.

The Consultants had concluded, said Mr. Anderson, that we had been profligate in the use of military manpower. We should likewise be much more selective in our research and development effort. Scientific programs of the Department of Defense should be placed under an Assistant Secretary.

Turning to the Mutual Security program, Mr. Anderson warned that the United States should not undertake to shore up the whole non-Soviet world. In according assistance to other nations we should emphasize the concrete defense implications and results. It was plainly impossible to purchase the loyalty and friendship of other nations. In general, thought Mr. Anderson, the Mutual Security budget should be revised downward this year in the direction of gradual elimination of all expenditures to which we were not committed.

In summary, it was the view of the Consultants, said Mr. Anderson, that the National Security Council, should proceed on the assumption that a satisfactory national security posture is compatible with the balancing of the Federal budget in FY 1954. The top figure for the national security programs in the budget for FY 1954 should be $45 billion.

The President stated that of course he could not disagree with the dangers to our economy which the Consultants had perceived and emphasized, but the problem, to him, was *when* it was necessary to achieve the balanced budget once you agree that you are going to move in that direction. We walk around this problem, complained the President, but it simply cannot be avoided. We can't suddenly cut off our developing policies and programs for national security. We can't get out of debt right away. His own belief, said the President, was that we should now show our determination to move in the direction of a balanced budget rather than to make a sudden cut to achieve that objective now.

Mr. Black answered the President with the statement that the Consultants had concluded unanimously that the Administration could balance the cash budget in FY 1954. This could be done in a variety of ways. Until now, everything had been subordinated to getting things done. Now, however, we were in sight of our desired posture of defense, so that we could eliminate this previous wasteful concept. This will require not merely economies, but a stretch-out, and even renegotiation of contracts.

The President expressed agreement with Mr. Black, but said he wanted to get down to the facts. If a project or program for supplying some military end-item is 60% complete, do we now abandon it, or do we continue it? These are the facts that must be faced. In illustration the President cited the program for large cargo planes, and indicated that the main emphasis should be placed on showing the public that the Administration is definitely moving in the direction of a balanced budget, but that failure to reach that goal at once is the result of policies adopted by the previous Administration.

Mr. Thomas expressed agreement with Mr. Black. On curtailing contracts, he complained that until now American industry had been deprived of any sense of sustained military demand for its products. Instead, it had operated on a "get-what-you-can-while-you-can" basis.

The President concurred, and expressed the desire that business should become the partner of the Administration in this emergency. He then turned to the specific problem of taxes. What, inquired the President, do we do by way of finding a substitute for the excess profits tax and the increased income tax, both of which will expire this summer? Did the Consultants advocate, he inquired, letting these taxes lapse, or would they prefer to find substitute taxes of a more practical sort to be continued until the Administration can get things on the track?

In response to the President's inquiry, Mr. Cowles said that he believed that the American public was quite unaware of the terrible fiscal mess in which we were involved. They plainly expect much greater budget cuts and tax cuts than it is safe to provide in the face of the threat which the Russians represent. Accordingly, they must be informed more fully about this threat, and the practices of the Government in over-classifying security information must be changed in order that vital information be placed in the hands of the public. Mr. Cowles also added that the Consultants had used "weasel words" in stating their belief that the Administration could achieve a balanced cash budget in FY 1954. What they really meant was that the Administration should head toward this objective.

The President answered that there was certainly no point in cutting off your leg because it was injured. While he expressed some agreement with Mr. Cowles' desire for declassification of security information, he also pointed out the risks involved and the limitation beyond which it was not safe to go.

The President then inquired of the Consultants whether they had given any thought to asking for somewhat greater flexibility from Congress in the disposition of funds given to the Mutual Security Administration, so that if at any given moment a certain area required help it could be immediately forthcoming. Would such an approach, inquired the President, be politically possible? In a similar category, continued the President, were the questions of off-shore procurement and the breaking down of trade barriers. All of these were politically touchy matters which always aroused the special interest groups.

The Vice President replied with the view that the President should emphasize in his dealings with Congress the very close connection between foreign aid programs and our military budget. He should stress that off-shore procurement would enable us to buy our defense at a cheaper rate. If the issue could be presented to Congress in this fashion, the Vice President thought it might change their thinking.

Secretary Dulles stated that you could only cut aid if you increased trade; but you can't do both, as the Congress seems to desire.

Secretary Wilson also expressed a keen desire for more off-shore procurement, if only to relieve the dangerous inflationary pressures in this country. Something had got to be done to "cool off" the economy of the United States.

Secretary Humphrey then commented that he seemed to be more radical than the other members of the Council. It was never an agreeable task to cut expenses, but we had got to do it in one of two ways—one, to keep the old programs, but to revise them and effect savings in carrying them out, and two, to make basic changes in the national security policies and programs. For himself, he believed thoroughly in the second course, since our existing program was self-defeating in that it asked industry to produce vast quantities of defense materials at a given time and then suddenly cut off orders.

The President expressed doubt as to whether Secretary Humphrey's analysis of the self-defeating nature of our present effort was valid. He did not think that Secretary Humphrey had distinguished clearly between building up to our security objectives and thereafter maintaining them. In particular, said the President, there was one danger that constantly worried him—lethargy and inaction in Europe which would allow that Continent to fall into Soviet hands. If the Soviets attempt to overrun Europe, said the President, we should have no recourse but to go to war.

Secretary Humphrey answered that all of this might be true, but that we were at present pushing some of our European allies so hard to build up their defenses that we were forcing them into bankruptcy. Accordingly, Secretary Humphrey believed that the National Security Council should set a top limit for defense expenditures for FY 1954—say, $40 billion—and then see what we could buy with that much money.

Mr. Cutler then raised the question of what risks the American people would be willing to take in order to secure a victory in Korea (which Secretary Humphrey had said would have such a wholesome effect on the economy), or to cut seriously our military and mutual security expenditures.

Secretary Wilson expressed the opinion that the Administration could probably balance the budget in FY 1956 if in the meantime there were no added inflation, but it would be pretty tough to achieve this balance in FY 1954 or 1955.

The President then spoke his mind on the Korean problem. If, he said, we decide to go up to the strength which will be necessary to achieve a sound tactical victory in Korea—for example, to get to the waist—the Russians will very quickly realize what we are doing. They would respond by increasing the Communist strength in Korea, and, as a result, we would be forced ultimately into a situation very close to general mobilization in order to get such a victory in Korea. General Bradley expressed agreement with the President's thesis.

The President then raised the question of the use of atomic weapons in the Korean war. Admittedly, he said, there were not many good tactical targets, but he felt it would be worth the cost if, through use of atomic weapons, we could (1) achieve a substantial victory over the Communist forces and (2) get to a line at the waist of Korea.

Secretary Dulles expressed the thought that it might now be possible to achieve an armistice in Korea on the basis that the previous Administration had sought in vain. Addressing his question to Mr. Robertson, Secretary Dulles asked if in the circumstances we should accept such an armistice.

Mr. Robertson avoided an explicit answer, but expressed the general belief of the group of Consultants that the American people would welcome an armistice on this basis.

Mr. Cutler then asked the Consultants if they were prepared to answer the question whether we should try for a massive victory in Korea, if it turned out that the Communists dragged out their current proposals for perhaps a period of three months and no real armistice was in prospect.

Mr. Robertson expressed the opinion that the American people would, under the circumstances, support an all-out effort in Korea.

There then ensued a discussion of the Mutual Security program and the view of the Consultants that this should be drastically cut unless (a) the current program had been based on prior commitments, or (b) the program had clear defense implications.

Mr. Anderson noted the feeling of the Consultants that many of the MSA programs appeared to be based on the assumption that you could buy the friendship of other nations and make their economies viable by spending money. This had raised doubts as to the worth of many of the individual country programs.

That might be so, said the President, but many of the European nations would certainly have gone Communist had it not been for the money we had spent on them in recent years. We simply cannot afford to let Europe go Communist, warned the President, and while we may not have spent our money intelligently in all cases, we could not now abandon these nations and these programs in Europe. It was the task of our leadership to make them do their jobs better.

In response to a query from Mr. Cutler, the President refused to agree with the proposition that the five American divisions in Europe were largely psychological in emphasis. He said that he would have sent more American divisions, not fewer, if the United States had had more available, and he stressed that they were a real physical deterrent to the Soviets and not merely a psychological one.

The President further expressed the opinion that the $130 million was a good investment in Latin America if we could be sure that by the expenditure of this amount we could secure the allegiance of these republics to our camp in the cold war.

Secretary Wilson expressed a willingness to spend even more money to prevent the Latin American republics from falling into Communism.

Mr. Holman, for the Consultants, stated that he was less worried about the danger of Communism in Latin America than about rampant nationalism.

At 12:45 the members of the Council and the Consultants went to lunch at the White House.

The meeting reconvened after lunch, and Governor Peterson briefed the Council on his tentative views with respect to the FCDA budget for FY 1954 and the general outlines of the civil defense program. These were subsequently transmitted in writing to the members of the National Security Council.

In addition, Governor Peterson made two special points—one, that as head of the FCDA he must be made fully aware of all relevant intelligence material, particularly from AEC and the Department of Defense, and two, that his agency must be more clearly aware of enemy and United States capabilities if FCDA is to provide realistic leadership to civil defense. Perhaps, said Governor Peterson, this might be accomplished if he sat in the NSC. If not, some other arrangement should be made.

At the conclusion of Governor Peterson's briefing, the President observed that Governor Peterson's report indicated a certain sense of frustration. The President then said that he personally thought Governor Peterson's job to be of the highest importance and that he would see to it that Governor Peterson got the support and the information which was required to do the job that the President had asked him to do.

Governor Peterson was followed by Chairman Dean of the Atomic Energy Commission, who briefed the Council in the first instance with respect to supplemental information on the program for the development of nuclear power (NSC 145—The Development of Practical Nuclear Power).[5] A sanitized version of the report of the Consultants on this problem, which had been referred to them by the Council, was then distributed by the Executive Secretary.

Chairman Dean noted that the total cost of the pilot plant called for in NSC 145 was $15 million. It would be impossible, he stated, to erect this plant with the $3 million budgeted at present for FY 1953 and 1954. In other words, new funds would have to be appropriated if the Government was to build the pilot plant in FY 1954.

Although Secretary Wilson repeated his doubts as to the value of "crowding" this project, Chairman Dean made clear that he did not wish to see the $15 million for this plant knocked out of the FY 1954 budget.

Mr. Thomas suggested that instead of spending $15 million in FY 1954 for the pilot plant, the Council recommend at this time the acceptance of the changes in the Atomic Energy Act which Chairman Dean had suggested, and then see whether private industry would not undertake to build the plant. This might save the $15 million. If not, the $15 million could subsequently be put back into the budget.

Chairman Dean expressed doubt that private industry would at this time come in on an experimental reactor to the tune of $15 million, but the President expressed approval for going ahead with the process of changing the Atomic Energy Act. He also suggested that no appropriation beyond that already made should be added until after the legislative changes had been approved.

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[5] For documentation on NSC 145, see pp. 1121 ff.

Chairman Dean was followed by Admiral Strauss, who briefed the Council on his tentative evaluation of the atomic energy programs for FY 1954 and 1955 and his views of possible reductions in expenditures for these programs. The chief question at issue, said Admiral Strauss, was whether $200 million could be saved in the budget for the Atomic Energy Commission. Admiral Strauss stated that North America provides us with approximately one-third of our total requirements of uranium oxide. The other two-thirds of our uranium oxide requirements come from areas vulnerable to enemy attack. In view of our rising weapons objectives, it was therefore plain to Admiral Strauss that it was necessary to go on with the AEC's program for construction of plants for the production of plutonium. In short, it would be impossible to reduce the AEC budget for these two fiscal years with respect to ore resources or weapons requirements.

Moving on, Admiral Strauss observed that the normal place to look for savings is in the area of greatest cost. In the AEC budget this area was that of plant expansion. The question, therefore, was, could we reduce the program for plant expansion without a major default in the production of weapons. At first blush it seemed possible to cut perhaps one new pile at Hanford and two at Savannah River. But in view of the fact that these plants produced tritium, and also because without them reliance would have to be placed on a single installation, it was obvious that cutting out these piles involved a heavy risk to the national security. Accordingly, Admiral Strauss was unprepared at this time to recommend cuts in plant expansion expenditures. Admiral Strauss did suggest, however, that it might be possible to reduce the amount of money being expended and projected for the tests of atomic weapons. These tests involved a cost $325 million, and he thought a possible saving might be made in this category. Similarly, he suggested that cuts could be made in the production of dummy weapons used in training. Thirdly, he felt that the security program of the Atomic Energy Commission could be reduced by the device of increasing the degree of security in special sensitive areas, but relaxing it in other less sensitive areas. In the aggregate these items might go far to reach the desired goal, but even in these categories Admiral Strauss stated that he was not yet prepared to make a positive recommendation, and that further study would be required. He felt it would take sixty days to complete this study.

Secretary Humphrey observed that he hated to give up the idea of abandoning some of the proposed increased production capacity in the AEC budget.

Chairman Dean replied that if you cut out the Portsmouth, Ohio, plant you would be completely dependent on Oak Ridge. What would happen to your U-235 if the Oak Ridge installation were destroyed by air attack or by sabotage? In short, Chairman Dean supported Admiral Strauss' view that to cut the production capacity program involved too great a risk to the national security.

Mr. Thomas inquired as to the possibility of cutting out the program for producing an atomic aircraft carrier and an atomic-powered plane. If this could be done with safety there would be a saving of $254 million in the first two years.

The President inquired, what would we lose? What would go down the drain by way of cancelled contracts? On the other hand, he said, there was certainly good reason to question why we should continue to try to produce two other experimental power plants for use in carriers and aircraft until we saw how the program for the atomic-powered submarine turned out.

Mr. Thomas said that that was precisely his question.

The President said it was not necessary to reach a final decision on this issue today, but that it did not seem to him that any very logical reasons had been set forth for pushing ahead on the atomic carrier and plane program.

Mr. Cutler then raised the question of "enough-ness", and there ensued a discussion of the JCS estimate of weapons requirements. It was noted that 1959 is the date at which we presently estimate that we will have on hand the weapons which the Joint Chiefs believe we need.

Mr. Malott then raised the question of public hysteria with respect to atomic weapons and the danger of atomic attack.

The President said that he was less concerned about hysteria than about the public complacency concerning which Governor Peterson had spoken earlier.

Mr. Malott argued that he nevertheless believed that we ought to use a couple of atomic weapons in Korea.

The President replied that perhaps we should, but we could not blind ourselves to the effects of such a move on our allies, which would be very serious since they feel that they will be the battleground in an atomic war between the United States and the Soviet Union. . . .

At the conclusion of this discussion it became the turn of Governor Stassen to express his judgment as to the extent to which Mutual Security expenditures could be reduced in FY 1954 and 1955 without serious prejudice to the national security. Governor Stassen stated his belief that we could accomplish our objectives with respect to assisting our allies in the context of the new United States policy that seemed to be evolving. In changing the Mutual

Security program to fit the new policy, he stated, it was of the greatest importance that the United States act in an atmosphere of confidence. While the change to the new program should be rapid, it should not be abrupt.

Governor Stassen stated that he felt that the forthcoming program should have the following new emphases: (1) on modern weapons; (2) on sound economies, both for ourselves and for other nations; (3) private capital; (4) increased international trade. Governor Stassen felt that in the future our programs should involve lessened expenditure of funds but a longer period of commitment for U.S. assistance. While he felt that it would be unwise to cut completely our aid to any area of the free world where it was now being given, he believed that the following changes were necessary: In each critical area to concentrate our aid on correcting the weakest point and strengthening the potentially strongest nation. As examples, Governor Stassen gave top priority in Western Europe to France as a critically weak point and to Germany as a potential strong point. With regard to the United Kingdom, Governor Stassen predicted that development of off-shore procurement would accomplish wonders and would enable us in a short time to stop grant aid. In the Far East we desired to realize on Japan's great potentiality, but this would require an Asia-wide approach to foreign trade. In South Asia it was essential to save India, but this would not involve so much vast expenditure as the long-term approach which Governor Stassen had just mentioned. In the Near East we should develop Egypt as the point of strength. In Latin America and in Africa we should cut the amount of government aid provided to the area, but greatly increase the role of private capital in the development of backward areas. In so doing, however, Governor Stassen warned of the need for increasing the stake of the people of these countries in the development of a sound capitalistic economy.

If we indeed followed this emphasis in the Mutual Security programs, Governor Stassen believed that we could taper off and cut back on the NATO force goals. In accomplishing all these things, said Governor Stassen, what we do in the United States will very directly affect what we do to assist foreign countries. We can only achieve our objectives overseas if we put an end to inflation in the United States. We cannot hope to lead others in the direction we wish them to go unless we ourselves are prepared to do what is necessary to assure a more stable economy and less inflation in the United States. Governor Stassen stated his belief that it would be possible to reach this new program by January 1954, by which time certain cuts could be made. On this basis we could subtract $1.5 billion in expenditures for the FY 1954 budget, and subtract $1 billion from the appropriations figure for FY 1954.

After an exchange between Governor Stassen and Mr. Cutler with respect to the discrepancy between the figures stated by Governor Stassen in his oral presentation and the figures in his written report,[6] the other members of the Council were asked to give their opinions of the policy and program which Governor Stassen had outlined.

The Secretary of State emphasized the importance of the psychological factor abroad. Many people in the European countries have been taught to believe that a Republican administration in the United States would mean a return to isolationism. Any sudden cut might therefore produce panic, and at any rate, said Secretary Dulles, along with such reductions in grant aid as those suggested by Governor Stassen there must go renewed efforts to increase international trade and to cut tariffs.

The Vice President warned the Council that they must think of sentiment and feeling on Capitol Hill. Members of Congress, he said, are often reluctant to make cuts in the Defense budget, but they do like to cut the Mutual Security budget. He believed a cut of only $1 billion in the Truman budget for MSA would be extremely difficult to sell to Congress unless it was presented to the Congress as a new program. Accordingly, he urged that heavy emphasis be placed on the defense implications of the Mutual Security program, so that it might be presented as a means of obtaining our national security objectives at less cost than the United States would have to pay if it produced the men and matériel to secure its defenses.

Secretary Dulles and the President both stated their conviction that it was absolutely impossible to pull a single American division out of Europe at the present time. The President said we should never forget that in defending Europe with $6 billion of Mutual Security assistance we are getting a very great deal for our money, because we are avoiding the necessity of using our own troops. The money in this program was not merely "giveaway" money. With it we are buying something concrete in terms of U.S. security. The real problem, the President repeated, was to find the economical way to make these European nations perform effectively as our allies.

At the conclusion of the discussion of Governor Stassen's briefing, Secretary Wilson was asked to brief the Council on his judgment of the extent to which Defense Department expenditures could be reduced in FY 1954 and 1955 without prejudicial effect on the national security.

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[6] For the undated "Summary of the Report of the Director for Mutual Security Pursuant to NSC Action 730-c", see vol. I, Part 1, p. 596.

At the outset, Secretary Wilson stated that defense-wise the United States was much better off now than it had been three years ago, but to achieve by 1956 the force and readiness goals contemplated in NSC 135/3 would require the Department of Defense to spend $45 billion for the next three years and to spend $40 billion in maintenance in the years that followed. Even so, we would not achieve the force and readiness goals at the dates contemplated in NSC 135/3.

Secretary Wilson then said that he was working at present on the assumption of a "Floating D-day" instead of a specific date for readiness. On this basis it was possible to achieve expenditure cuts of a notable order: $41 billion in FY 1954 (plus $2 billion for the war in Korea). The $41 billion figure could be progressively reduced in subsequent fiscal years to perhaps $33 billion annually by 1958. Reductions of this order of magnitude and in this time sequence would not substantially affect our strength in being in the next two fiscal years. We would, of course, be less well off in the third and subsequent years.

Going on, Secretary Wilson suggested that the following might be considered an acceptable program. The Truman budget for FY 1954 called for appropriations of $41 billion. Secretary Wilson proposed taking $5 billion off this figure, which he thought could be got chiefly from better balancing out of the Defense Department programs and not extending our commitments so far. This would bring us from $41 billion to $36 billion, and we could of course go still lower if it were not for the Korean war. $5 billion out of the Truman budget, however, Secretary Wilson felt to be the maximum that could be cut from a political and psychological point of view. A further cut in FY 1954 would result in the conclusion that the United States was abandoning a serious defense effort for itself and its allies. Furthermore, said Secretary Wilson, with these cuts we should make every effort to keep the maximum forces in being for two years at least, and he proceeded to outline the probable composition of the forces of the Army, Navy and Air Force on the basis of such cuts as he proposed.

After Mr. Cutler had summarized to the best of his ability the cuts which seemed reasonable to the Secretary of Defense and to the Director for Mutual Security, the President stated that he was satisfied with the picture which they had presented, and felt that Congress ought also to be satisfied. The proposed solution by Governor Stassen and Secretary Wilson was even better than he had hoped for.

Mr. Cutler noted that the Consultants had earlier expressed a view that the budget could be balanced, in terms of cash expenditures, in FY 1954. Did they now wish to comment on what they had heard from Governor Stassen and Secretary Wilson?

Mr. Cowles said it would be magnificent if cuts of the proposed magnitude could be made. Secretary Humphrey added that on this basis we would have to contemplate a cash deficit of only $1.5 billion. On the whole this seemed to him not too bad.

The President suggested that we should certainly not, in the present situation, let the excess profits tax die without a substitute. Indeed, he added, we ought never to commit ourselves to any tax reduction while we are fighting this war.

The Consultants were then invited by the President to make their comments.

Mr. Thomas thought that you could still make certain small savings which in the aggregate could be very significant. As examples he thought such savings could be made in the AEC budget and in the money currently being spent on research and development in the Defense Department.

Mr. Robertson felt that the proposed cuts were admirable, and he had no suggestions for improvement in the programs outlined by Secretary Wilson and Governor Stassen.

Mr. Anderson also expressed satisfaction, and stated the view that a balance of the cash budget in FY 1954 might even yet be achieved, since "savings breed savings."

Mr. Cowles likewise expressed wholehearted approval of these presentations, and again stressed the importance of educating the public to the current threat to the national security. This alone, he predicted, would put an end to the yelling for further tax cuts.

Mr. Black stated his wholehearted approval of the programs.

The President stated, in closing the all-day session, that he had been thinking about the great contribution which the Consultants had made to the Administration's understanding of the problem, and it had occurred to him that it would be desirable if the Consultants were to return to Washington and give us some few more days at about the time that the Administration's budget went to the Congress. They could then check over the final budget to see what actually had been done in the way of cuts. As the President put it, they could give a kind of spot check of the promises that had been made. Furthermore, in thanking the Consultants for their work the President stated that he wanted them to be apostles of the faith throughout the country. If they really believed that the new Administration was doing its job, then they must go back to their localities and say so.

Mr. Cutler summed up as the consensus of the meeting that the over-all policies for national security were on the whole appropriate and reasonable. Second, that we should nevertheless, in carrying them out, approach as rapidly as possible the balancing of the budget. Thirdly, that the means of doing this would involve changing our programs to carry out our policies rather than changing the policies themselves.

Secretary Humphrey expressed firm disagreement with Mr. Cutler's observations, and stated that he believed that what we were contemplating was a very different set of objectives as well as a different program, from those which had been endorsed by the Truman administration.

S. EVERETT GLEASON

S/S-NSC files, lot 63 D 351, NSC 149 Series

Draft Memorandum Prepared for the National Security Council [1]

TOP SECRET [WASHINGTON, undated.]

CONDENSED STATEMENT OF PROPOSED POLICIES AND PROGRAMS

The National Security Council, together with its seven Civilian Consultants, held a meeting on 31 March 1953 to review the current basic national security policies and programs in relation to their costs. It was the consensus that the following new policies and programs should be adopted.

Proposed Policies

1. The survival of the free world depends on the maintenance by the United States of a sound, strong economy. For the United States to continue a course of Federal spending in excess of Federal income will weaken and eventually destroy that economy. As rapidly as is consistent with continuing our leadership in the free

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[1] A covering memorandum to the National Security Council from Lay dated Apr. 2 states that this statement reflected the consensus of the meeting of Mar. 31 with the Civilian Consultants. Lay added: "The enclosed draft is being referred to the Planning Board for use as a basis for the preparation of a draft statement of policy on this subject to be submitted for consideration of the Council at its next meeting on Wednesday April 8, 1953." Copies were sent to the Secretary of the Treasury, the Chairman of the Joint Chiefs of Staff, and the Directors of Central Intelligence and the Bureau of the Budget.

On Apr. 3, Lay circulated to the National Security Council a slightly expanded version of this memorandum drafted by the NSC Planning Board and designated NSC 149. This NSC Planning Board Report, Lay informed the NSC, was transmitted for consideration by the National Security Council at its meeting on Apr. 8. A copy of NSC 149 is in S/S-NSC (Miscellaneous) files, lot 61 D 167, NSC 149 Series.

world, and barring an emergency, the United States will annually balance its Federal expenditures with its Federal income.

2. Because the United States has commitments and responsibilities which, in the interest of the national security, must be met in the near future, it can approach only gradually a balancing of its Federal budget. But the Administration should frankly state at this time to the people that it is resolved to attain this new objective and how it expects to do so. It should also make clear the grave nature of the Communist threat, and of the resulting fiscal situation, which confronts us.

3. So long as there is a state of war in Korea, the United States should not materially reduce the level, though it may change the form, of its Federal taxation.

4. While bringing the Federal budget into balance, the United States will continue to maintain over a sustained period sufficient armed forces to defend the United States and assist in the defense of vital areas of the free world. Although the national security program expenditures outlined below for FY 1954 and FY 1955 will not permit attainment of force goals which were set some years ago to meet a specific date for D-day readiness, such expenditures will provide greater force strength than we have today—in the United States, in NATO, and in the Far East.

5. Subject to paragraph 1 and 2 above, the United States will continue to assist in building up the strength of the free world; will seek thereby to contain Soviet expansion and to deter Soviet power from aggressive war; will continue to exploit the vulnerabilities of the Soviets and their satellites; all with a view to the ultimate retraction and decay of Soviet power.

6. In carrying out paragraph 5 above, the U.S. should:

a. *Increase* emphasis on

(1) bringing the Korean war to a final settlement acceptable to us;

(2) aiding in the settlement of the war in Indo-China, without direct intervention except in the event of Chinese Communist aggression;

(3) protection of the continental United States from enemy attack;

(4) off-shore procurement of military matériel, designed to increase the capability of our allies to support their own defenses;

(5) maintenance of production plant capacity in the United States, in lieu of large reserve stocks of end-items;

(6) reduction of overhead and elimination of waste and duplication;

(7) lowering of trade barriers and encouragement of reciprocal trade on a mutually favorable basis.

b. *Decrease* emphasis on

(1) expansion of NATO forces in being;
(2) expansion of U.S. armed forces and matériel stocks to full D-day readiness by early fixed target dates.

Proposed Mutual Security Program

7. The proposed new mutual security program will have these characteristics:

a. The United States will act with confidence.
b. The change in direction, while rapid, will not be abrupt.
c. Emphasis will be placed upon modern weapons, sound economies in the U.S. and abroad, use of private capital, longer-term commitments, and regional economic and trade arrangements in the Far East.
d. Inflation at home (whether arising from Governmental deficit financing, excessive consumer credit, etc.), will not be permitted to destroy the effect of our policies abroad.
e. NATO first-line divisions will be in part equipped through use of a portion of the U.S. continental supply of critical items.
f. We will concentrate on vital countries—helping the weakest to attain economic strength and encouraging the potentially strong to maximize their economic potential. For example, we shall give top priority:

(1) In Western Europe, to France in view of its heavy commitments in Indo-China, to assisting Germany more fully to realize its potential, to emphasizing off-shore procurement in the United Kingdom, and to cutting back division goals for NATO.
(2) In the Far East, to Indo-China as the weak point and Japan as the strong point, adopting an Asia-wide economic approach.
(3) In South Asia, to India, with a long-range program which will not involve large expenditures.
(4) In the Near East, to Egypt.
(5) In Latin America and Africa, to the development of private capital and sound economies which will yield greater returns for the people in the area, but without involving us in large expenditures.

g. The program will be administered in closest conformity with the foreign policy leadership of the Secretary of State and the military policy leadership of the Secretary of Defense.

8. The new program levels should be reached about January 1, 1954, and reductions in cash expenditures should be effected as follows:

FY 1954: 1.5 billion, from 8 billion* down to 6.5 billion,
FY 1955: 1.5 billion, from 7.8 billion* down to 6.3 billion,

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*In the February 24, 1953 memorandum entitled "Costs of National Security Programs", these expenditure figures were stated as 7.4 billion and 8.0 billion. [Foot-

Continued

with still lower cash expenditures in FYs thereafter. The appropriation figure in FY 1954 budget should be cut 1.2 billion.

Proposed Military Program

9. To achieve by FY 1956 or 1957 the forces and readiness goals contemplated by NSC 135/3 would require an average annual expenditure of 45 billion for the Department of Defense for FY 1954, FY 1955, and FY 1956. To maintain such forces and readiness for the years immediately following FY 1956 would require annual expenditures averaging 40 billion. Such levels of expenditure are inconsistent with the policies proposed above.

10. Under the proposed policies, the military program will be related to a "floating", rather than a "specific", D-day, and should achieve by FY 1956 or FY 1957 force levels of the following general order of magnitude:

a. 105 to 115 Air Wings (depending on the character of the wing structure). Ten Wings will probably not be equipped with "first line" aircraft.
27 NG Air Force Wings (11 with reasonably modern equipment).
36 MATS Squadrons and other appropriate supporting elements.
b. 18 Army Divisions.
18 Regimental Combat Teams.
110 to 120 AA Battalions.
Other appropriate supporting Army elements.
c. 9900 Naval aircraft (including 1800 aircraft for Naval Reserve, of which 800 will be reasonably modern).
400 Naval Warships.
800 Mine and Auxiliary craft.
3 Marine Divisions (1 at least at reduced strength), with supporting Air Wings.
d. Reasonable mobilization reserves for Army and Marine ground forces.

11. The military program should involve cash expenditures as follows, taking into account an estimated 1 billion annual cut in overhead and duplication:

	Billions
FY 1954†	43.2
FY 1955†	40
FY 1956	35
FY 1957 and following	33

†Includes 2 billion for continuation of the Korean war at substantially the current level of activity through whole FY and build-up to 20 ROK divisions. [Footnote in the source text.]

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note in the source text. A copy of the memorandum under reference is in S/S–NSC files, lot 63 D 351, NSC 142 Series.]

The appropriation figure in the FY 1954 budget should be cut by about 5 billion, from approximately 41 billion to approximately 36 billion (which assumes a continuation of the Korean war at substantially the current level of activity).

Atomic Energy Program

12. a. Under the proposed policy, expenditure reductions in the Atomic Energy program in FY 1954 and FY 1955 might be made in the following categories:

‡ (1) Some saving in dummy weapons for air training, now costing 120 million annually.
‡ (2) Some saving in tests of weapons, costing in FY 1954 and FY 1955, for AEC and DOD combined, 325 million.
‡ (3) Some saving in AEC security measures.
(4) Saving over 200 million annually, if development of atomic propulsion units for aircraft carriers and aircraft, now costing 254 million annually, are postponed; but submarine reactor development is continued.

b. Admiral Strauss did not recommend reductions in budgeted expenditures for FY 1954 for ore buying (393 million), weapons building (1,156 million), plant expansion (1,954). No concensus was reached as to the feasibility of some reduction in plant expansion.

c. The proposed policy on the development of nuclear power is:

(1) The early development of nuclear power is an urgent need, if we are to maintain our national lead in the atomic field. The goal of this program should be attained primarily by private, not government, financing.
(2) The advantages of private financing are:

(a) To tap the great scientific laboratories of private enterprise.
(b) To bring about competition between private and government laboratories with benefit to both.
(c) To provide automatically the dispersal of fissionable material production capacity.
(d) To create new industries, new employment, and new sources of taxes.

(3) If this program is to be practicable, industry should be permitted (subject to appropriate security safeguards) to:

(a) own and operate nuclear power facilities,
(b) buy or lease fissionable material,
(c) use and transfer fissionable and by-product materials not purchased by the Atomic Energy Commission, and
(d) have more liberal patent rights than presently granted.

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‡ Special Assistant to the President (Admiral Strauss) estimates 200 million annually could be saved in these three categories. He will submit a summary report to the Council. [Footnote in the source text.]

Accordingly, immediate positive steps should be taken for legislation along these lines.

(4) No additional funds for a pilot plant should be authorized other than the approximately 3 million presently included in FY 1953 and FY 1954 budgets.

(5) It is expected that industry will participate with its own funds and facilities in this program when the recommended legislation is passed.

Summary of Reductions in Program Expenditures

13. a. The February 24, 1953 memorandum entitled "Costs of National Security Programs" projected expenditures for national security (including AEC) programs. These projections would not have fully provided for the force and readiness goals contemplated in NSC 135/3 or for the substantial expansion in the air base structure required to reach those goals.

b. The reductions in expenditures summarized below are reductions from the projected expenditures stated in the February 24, 1953 memorandum:

Reduction in expenditures in billions

	FY 1954	*FY 1955*
DOD	2.3	4.
MSA	§.9	§1.7
AEC	.2 plus	.2 plus
	3.4 plus	5.9 plus
Assumed reductions proposed by the DOD in March 5, 1953 memorandum	6.8 billions	14. billions

§The figures for reductions in expenditures appearing in paragraph 8 above are 1.5 billion and 1.5 billion. [Footnote in the source text.]

If the current tax rates are maintained and if a reduction in expenditures of one billion is assumed in each year for non-security programs, the above reductions of 3.4 plus and 5.9 plus would result in a budgetary position as follows:

	(Billions of dollars)			
	Cash basis		*Budget basis*	
	1954	*1955*	*1954*	*1955*
(a) Deficit as estimated in "Budget Outlook" (assuming presently scheduled tax expirations)	6.6	11.7	9.9	15.0
(b) Reductions in deficit by proposed expenditure reductions:				
(1) In non-security programs	1.0	1.0	1.0	1.0

	(Billions of dollars)			
	Cash basis		*Budget basis*	
	1954	*1955*	*1954*	*1955*
(2) In security programs (above)	3.4	5.9	3.4	5.9
(c) Deficit (assuming presently scheduled tax expirations)	2.2	4.8	5.5	8.1
(d) Gain in revenues if current rent tax rates are maintained	2.1	8.0	2.1	8.0
(e) Deficit or surplus	−0.1	+3.2	−3.4	−0.1

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 139th Meeting of the National Security Council, Wednesday, April 8, 1953 [1]

[Extracts]

TOP SECRET EYES ONLY

Present at the 139th meeting of the Council were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; and the Director for Mutual Security. Also present were the Secretary of the Treasury; the Attorney General (for Item 1); the Secretary of the Interior (for Item 1); the Director, Bureau of the Budget; the Acting Director of Defense Mobilization; the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Special Assisant to the President for National Security Affairs; the Special Assistant to the President for Cold War Planning; the Military Liaison Officer; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a general account of the main positions taken and the chief points made at this meeting.

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[1] Drafted by Deputy Executive Secretary Gleason on Apr. 16.

7. *Basic National Security Policies and Programs in Relation to Their Costs* (NSC 149; [2] Memo for NSC from Executive Secretary, same subject, dated April 2, 1953; [3] NIE-64 (Part I/1 and Part II [4])

Mr. Cutler then turned to NSC 149 and explained that Part 1 consisted of a statement of policy, which he suggested that the Council approve after it had discussed the statement. Part 2 consisted of an outline of certain major programs, in which there would doubtless be further changes before the Council was prepared to act. The third part, dealing with the financial aspects of the problem, Mr. Cutler said was under study by the Bureau of the Budget, which would present a new set of figures for the meeting of the Council on April 22.

It was pointed out that several members of the Council would be out of the country for the April 22 meeting, but the President said that they would have to be represented by deputies on the occasion of this meeting, since decisions could not be postponed later than this date.

Mr. Cutler then called for suggestions by the members of the Council as to changes in Part 1 of NSC 149 which seemed desirable.

Secretary Humphrey said that at the request of Mr. C. D. Jackson a meeting had been held to discuss and agree upon ways and means of announcing the new budgetary levels and the new national security programs to the Congress and the people. It was the view of this meeting that the President should make reference to the new budget in a speech or press conference on or about April 20. Meanwhile, the committee believed that every effort should be made to prevent any leaks as to the content of NSC 149.

The Council agreed with this procedure and with the view that NSC 149 was to be "kept on ice" until April 20.

Theoretically, said Mr. Cutler, NSC 149 was to be regarded as subject to change until April 20.

The Council thereupon proceeded to indicate revisions in the wording of Part 1, including the addition of phraseology warning against the danger of inflation and pointing out how increased inflation might well ruin the attempt to achieve a balanced budget.

Secretary Wilson expressed some concern over the phrase in Part 1, paragraph 5, which spoke of courses of action by the United States "with a view to the ultimate retraction and reduction of the Soviet system to a point which no longer constitutes a threat to the security of the United States." Secretary Wilson thought that this language sounded much too aggressive, and thought that it should be toned down.

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[2] See footnote 1, *supra*.

[3] This memorandum transmitted to the National Security Council the memorandum, *supra*.

[4] For documentation on NIE-64 concerning Soviet bloc capabilities and intentions, see volume VIII.

Secretary Humphrey agreed with Secretary Wilson, but Mr. Cutler pointed out that anything which seriously infringed on this objective would leave the present Administration advocating policies toward the Soviet Union which, far from being more positive than those of President Truman and Secretary Acheson, would be softer.

Secretary Dulles also urged that the statement be left substantially as it was.

Accordingly, Secretary Wilson withdrew his point.

The Council then turned briefly to a consideration of Part 2 of NSC 149. On the financial issues and the figures indicating cuts, Secretary Humphrey pointed out that he did not regard the figures for cuts in Part 2 as fixed. Rather, they were to him indications of the direction in which the Administration was going, and it might well prove feasible to make further cuts in the programs for FY 1954.

Mr. Cutler confirmed Secretary Humphrey's opinion that the figures in Part 2 were not yet firm and would not be until the Council acted after April 20.

Secretary Wilson said that he was not inclined to discuss this part of the paper at the present time, until he had been able to give the report further study in the Defense Department. He did, however, express the opinion that his people in the Defense Department were very concerned about the size of the proposed cuts in the Mutual Security program for FY 1954 and 1955 and the effect that such cuts would have on military assistance to our allies.

Secretary Dulles also agreed on the dangerous character of a reduction of the MSA program from $8 billion to $6.5 billion.

Secretary Humphrey protested strongly against this view, but the President once more insisted that Secretary Humphrey was inexact in describing the MSA funds as "giveaway" money. Actually we were buying security with these funds.

With regard to the forthcoming NATO meeting [5] which would occur before the Administration had finally made up its mind on the figure for the Mutual Security budget, the President suggested that when Secretaries Dulles and Wilson and Mr. Stassen arrived at the NATO meeting they would find that several of the NATO countries would be quite eager to climb down somewhat from the goals and objectives which had previously been set. It therefore seemed to the President better to agree with these countries on a reduction in their obligations and then say that in the circumstances they did not require so much assistance from the United States. This would be better strategy than for the United States to announce to these countries in the first instance that it proposed to make cuts in the levels of assistance it was projecting for the next fiscal year.

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[5] For documentation on the Eleventh Session of the North Atlantic Council at Paris in April 1953, see vol. v, Part 1, pp. 368 ff.

The National Security Council: [6]

a. Deferred action on Part 1 of the reference report on the subject (NSC 149) pending further study.

b. Agreed that the Secretary of Defense, the Director for Mutual Security, and the Atomic Energy Commission should submit to the Council, not later than April 20, 1953, definitive outlines, along the lines of Part 2 of NSC 149 (as revised by the Summary Report by the Special Assistant to the President for Atomic Energy Matters,* dated March 31, 1953), of the respective military, mutual security, and atomic energy programs for FY 1954 and FY 1955 (with such informative analyses as each may deem appropriate).

Note: The action in b above subsequently transmitted to the Secretary of Defense, the Director for Mutual Security, and the Atomic Energy Commission, respectively, for appropriate implementation.

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S. EVERETT GLEASON

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[6] Paragraphs a–b constitute NSC Action No. 762. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

* See atomic energy file, "Strauss Report". [Footnote in the source text. For documentation on the foreign policy aspects of atomic energy, see pp. 845 ff.]

Editorial Note

Sudden announcements by the Soviet Government during the first week of March 1953 of the illness and death of Joseph Stalin stimulated an existing interest within the Eisenhower administration to make a dramatic appeal for a change in the international climate of opinion. Vigorous efforts within the administration to seek a proper time, forum, and approach culminated on April 16, 1953 in the President's address, entitled "A Chance for Peace", before the American Society of Newspaper Editors. Regarding this speech, see the editorial note, page 1144.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 140th Meeting of the National Security Council, Wednesday, April 22, 1953 [1]

[Extracts]

TOP SECRET EYES ONLY

Present at the 140th Meeting of the National Security Council were the President of the United States, presiding; the Vice President of the United States; the Acting Secretary of State; the Acting Secretary of Defense; and the Acting Director for Mutual Security. Also present were W. Randolph Burgess, for the Secretary of the Treasury; the Secretary of the Interior (for Item 4); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Item 5); the Director of Defense Mobilization; the Federal Civil Defense Administrator (for Item 5); Robert LeBaron, Department of Defense (for Item 5); General Vandenberg, for the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Sherman Adams, Special Assistant to the President (for Item 3); the Special Assistant to the President for National Security Council Affairs; the Special Assistant to the President for Cold War Planning; the Special Assistant to the President for Atomic Energy Matters; the Military Liaison Officer; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a general account of the main positions taken and the chief points made at this meeting.

. . . .

5. *Basic National Security Policies and Programs in Relation to Their Costs* (NSC 149; [2] NSC 149/1; [3] NSC Action No. 762; [4] Memo for NSC from Executive Secretary, same subject, dated April 21, 1953 [5])

Mr. Cutler called attention to the revision of Part I of NSC 149/1 as a result of the Council's consideration at the last meeting of this statement of policy. He also called the Council's attention to the proposed action on this paper as set forth in the Note by the Executive Secretary. This called for approval of the paper and direction to the Planning Board to use it as a guide in the preparation of a more detailed statement of basic national security policy to supersede the NSC 20, 68 and 135 series.

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[1] Drafted by Deputy Executive Secretary Gleason on Apr. 23.

[2] See footnote 1, p. 281.

[3] Not printed. (S/S-NSC files, lot 63 D 351, NSC 149 Series) For text of NSC 149/2, Apr. 29, see p. 305.

[4] See footnote 6, p. 290.

[5] Not found in Department of State files.

Mr. Cutler further informed the Council that the Secretary of State, before his departure for the NATO meeting, had sent a letter to the President expressing the hope of himself, the Secretary of Defense and the Secretary of the Treasury that no further cuts would be made in the major security programs by the Council, and that the Council would avoid imposing too much rigidity on the programs set forth in NSC 149/1.

Finally, Mr. Cutler informed the Council of a number of changes in the wording of NSC 149/1 which had resulted from his meeting with the President and Mr. Lay at their briefing earlier that morning. He explained that the President had been desirous of removing the tabular statement of estimated levels of expenditure for FY 1954, 1955 and 1956 which appeared on page 11, on the ground that such precise figures might be construed by the Congress as iron-clad promises which subsequently the heads of the executive departments might find it difficult to keep.

The President himself intervened to state that he did not want the responsible members of the Executive branch to make iron-clad commitments to the Congress on expenditure levels since, if changes later proved necessary, the heads of these agencies would be crucified for having failed to live up to the letter of their promises.

Mr. Cutler also stated that a letter had been received from the Secretary of Defense, recommending that the proposal to postpone and stretch out the large ship reactor program and the aircraft nuclear propulsion program should be changed to call for the complete elimination of these two programs, with the result that further savings could be made in the Atomic Energy Commission's program for FY 1954 and 1955. Mr. Cutler said that a decision by the Council on this recommendation would be in order, as would be a decision on the suggestion of the Secretary of Defense as to the desirability of a careful review of weapons requirements. If these could be stretched out or lowered, it would be possible for the Atomic Energy Commission to effect still further savings.

In summarizing his introductory remarks, Mr. Cutler said that he presumed that as a result of previous consideration by the Council of Part I of NSC 149/1, he could safely assume that the Council was now prepared to adopt Part I and to direct the Planning Board to proceed with the drafting of a new and more detailed statement of national policy along the lines of Part I.

Secretary Smith, however, informed the Council that in its present form Part I was unsatisfactory to the Department of State. He therefore suggested that Part II of NSC 149/1 be approved by the Council, but that Part I be returned to the Planning Board for revision.

Both the President and Mr. Cutler stated that they were unable to understand the objections which the State Department found in Part I, and Secretary Smith was requested to clarify these objections.

Secretary Smith replied that he had no objections to the substance of Part I, but that there were a good many nit-picks and editorial clarifications which the State Department felt would be desirable.

After Secretary Smith pointed to one or two concrete instances, the President indicated agreement that a certain conditioning of the phraseology of Part I would be desirable. The President therefore suggested that the Council approve Part I in substance with the understanding that certain editorial clarifications would be made.

The Council then turned to the consideration of Part II of NSC 149/1, and Mr. Cutler requested Secretary Kyes to comment on the Military Program therein set forth.

The most vital objective, said Secretary Kyes, was to secure authority to cut back on certain portions of the Military Program. He did not envisage any considerable change in the force strength of the Army and Navy as contemplated in the Military Program, but additions would be made to the strength of the Air Force, which he anticipated might reach 106 wings by June 30, 1954. A great deal more time would be needed to refine and elaborate the force levels which could be achieved within the expenditure figures and personnel strengths indicated in the Military Program as set forth in Part II. It was quite possible that as a result of this process still further cuts could be made in the costs of the Defense Department program.

Secretary Kyes then said that he had at hand a proposed action by the Council on the Military Program which he desired to read to the Council as a basis for action. An important item in this action, said Secretary Kyes, was the proposal to eliminate the large ship reactor program and the aircraft nuclear propulsion program instead of merely postponing or stretching out these two programs. The program for the atomic-powered submarine would of course continue.

Admiral Strauss, who had been invited by the President to attend the Council meeting, stated that he very much preferred to see these two programs stretched out rather than postponed indefinitely or entirely eliminated.

The President inquired as to the essential differences between reactor designs for powering submarines and for powering aircraft carriers.

Chairman Dean, who had likewise been invited to participate in Council consideration of this item, explained the very great difference in design between the two reactors. Of course, he said, if there were no military requirement for these two programs, there was no sense in the Atomic Energy Commission's going on with them. But, he said, he must warn that the elimination of these two programs would occasion considerable readjustments in the research establishments and laboratories of the Atomic Energy Commission.

This argument seemed not to appeal to the President, who expressed his anxiety and concern about the Government's apparent tendency to monopolize all research activity in this area at the very moment when private industry seemed anxious to move in and employ its own research facilities.

In reply, Chairman Dean stated that he believed that private industry would not be in a position to do much in this field for another five years. Accordingly, if the Government drops these two programs there will be a long time gap which might prove to be a grave mistake.

The President, however, stated that he himself was prepared to go along with the recommendation of the Secretary of Defense provided the elimination of these two programs was consistent with the national security. If there were other arguments and considerations, not touching the national security, which indicated the desirability of continuing these two programs, the President stated that he would be quite willing to have these considerations discussed separately with the Atomic Energy Commission.

Thereupon, Mr. Cutler reverted to Secretary Kyes' recommendation for the inauguration of a review of military requirements for atomic weapons, and asked Secretary Kyes to elucidate this recommendation.

The heart of the question, replied Secretary Kyes, was whether it was reasonable to take a calculated risk and postpone for one year securing the added weapons which would result from the most recent expansion program of the AEC. He believed that it was safe to take this risk and that very great savings would result from the curtailment of the expansion program.

Admiral Strauss expressed concern over the probable length of time which would be required for a review of weapons requirements, which he had been told would amount to 60 days. If humanly possible the review, he said, should be completed at a much earlier date.

Secretary Kyes promised that he would go as fast as he could, but that the review of weapons requirements by the Joint Chiefs of Staff would take time, and that furthermore they must be the final judges of the degree of risk which would be involved in postponing for an entire year the achievement of the levels of atomic weapons hitherto contemplated.

The Director of the Bureau of the Budget said that he failed to grasp the arguments against cutting down on the production program of the Atomic Energy Commission. Every other program was being revised and cut, while the AEC program continues on a war mobilization basis. To Mr. Dodge all this made very little sense.

In support of Mr. Dodge's point, Secretary Kyes noted that it might very well eventuate that we would not have the force levels to use all the weapons which would be produced by the AEC program. At a minimum it might be possible to save a billion dollars as a result of this reappraisal of weapons requirements.

Secretary Smith then said he wished to raise a question as to the interpretation of the statement of new policy with respect to the mobilization base as set forth in sub-paragraph c on page 8.

Secretary Kyes, in response to this inquiry, stated that what he sought with respect to the mobilization base was dispersion as a safeguard against surprise atomic attack, but not dissipation. The objective was to compress the mobilization base to ensure continued production of the vital items, rather than to shut down on any of these.

The Director of Defense Mobilization queried Secretary Kyes as to whether there was any implication in this sub-paragraph that we were moving in the direction of a constriction of the base.

Secretary Kyes replied that in general the answer was "yes", although as regards certain specific areas he actually contemplated an expansion of the base. What he really sought, said Secretary Kyes, was to correct past errors regarding the mobilization base which had been the result of the emergency and haste, or had been caused by simple mismanagement. We are consolidating and validating the new Administration's position with respect to the mobilization base.

Mr. Flemming then sought reassurance that there was no move to sacrifice the principles of security to those of economy.

Secretary Kyes gave the requisite assurance, and replied that what he wanted to find out was where we now stood with regard to the mobilization base in order to re-evaluate and consolidate.

Mr. Flemming said that in general the statement of policy in Part I of NSC 149/1 appeared to him eminently sound, but that we must understand precisely how we are going to go about implementing that policy.

The President interposed to express hearty agreement with Mr. Flemming's statement, and to go on to observe that the discussion was now getting to the point where there would be practical political difficulties. The President prophesied that small business would not like this constriction of the military base.

Secretary Kyes referred to his knowledge of small business during a period when he considered himself a small businessman, and expressed the view that a great deal could be done to improve the prospects for participation by small businesses in the mobilization program. This, however, would depend on small business abandoning political maneuvering in favor of a practical plan to ensure adequate participation.

Secretary Kyes then went on to say that he had another suggestion which he would like to place before the Council for its consideration. It seemed to him that it would be a very sensible move to lump together the MSA funds for foreign military assistance with the funds allocated for the U.S. military programs, with the objective of having greater flexibility in the allocation of military end items between the U.S. armed forces and the armed forces of our allies. Of course, said Secretary Kyes, it would be necessary for the Congress to appropriate funds separately to the Department of Defense and the Mutual Security Agency. What he meant was that they should pool these funds as they were allocated by the Bureau of the Budget.

The President expressed approval of this proposal if it proved feasible, pointing out that of course the Congress would appropriate separately to the two departments.

The Vice President said that Secretary Kyes' proposal made excellent sense to him also. From the point of view of success with the Congress, we should do everything possible to emphasize the national security aspects of the foreign assistance program, and this would help to give such emphasis.

Mr. Dodge said that in effect Secretary Kyes' proposal seemed to him a means of avoiding Representative Taber's repeated suggestion that military assistance funds should be appropriated directly to the Department of Defense and not to the Mutual Security Agency. As an addition to this proposal by Secretary Kyes, Mr. Dodge thought that there should be some provision stating that the Defense Department should hold fast control over the expenditure of funds from new appropriations for the Fiscal Year 1954.

The President pointed out that it would be impossible to write such a provision as this into the budget itself, and Mr. Dodge agreed that this was so. Mr. Dodge thought, however, that this was something that could be advanced by way of argument in the Congressional hearings on the Administration's budget. It would help, he was sure, to sell the budget to the Congress.

In reply, the President reminded Mr. Dodge with some warmth that there would be a very vociferous minority in the Congress which would be violently opposed to even the slightest cuts in the budgets of the national security programs. We must certainly support very firmly the reductions which have been agreed upon in this paper, and we must do all we can to help Secretary Wilson and Mr. Stassen, but we should not overlook the influence of this minority group.

Secretary Kyes observed that he hated to be regarded as a mere pennypincher. He thought there was real danger in talking so much about simply securing cuts in the appropriations for the national security programs. What we should stress and emphasize is that, as a result of the reorganization of the programs and the departments, cuts would be amply justified without damage to the national security. On the other hand, Secretary Kyes did not feel that Mr. Dodge's suggestion would be helpful to him.

This concluded the discussion of the Military Program in Part II of NSC 149/1, and Mr. Cutler then asked the Acting Director for Mutual Security to explain the Mutual Security Program as set forth in this report.

Mr. Rand [6] read to the Council an explanation of this program, and stated that the approach taken by his agency to the problem of making cuts was the best approach that the agency could offer. Indeed, he observed, there might even have to be additional funds for certain special programs over and above the level of $6,300,000. Such additional amounts might run between $150 million and $300 million.

After Mr. Rand had finished speaking, Mr. Cutler explained that the President was not wholly clear as to the $750 million set down on page 16 to provide special weapons in a program to be controlled by the President.

Mr. Rand explained that the new weapons referred to included such things as atomic artillery, guided missiles, and the latest type of aircraft.

Secretary Kyes expressed the view that control of such a program should remain with the Department of Defense.

Since the purpose of this program had not been entirely clear, the President speculated that it might be a cover for some transaction which the Mutual Security Agency desired to hide (even if legitimate). In any event, said the President, it seemed to him that there was quite a leap involved from our previous policy of withholding such weapons from our allies to a new policy of giving them $750 million worth of such weapons. Was this perhaps, continued the President, designed to substitute new weapons for conventional weapons?

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[6] William M. Rand, Deputy Director for Mutual Security.

Whatever was the design, said Mr. Dodge, he did not like this new item in the Mutual Security Program, and furthermore, he predicted that the new weapons would not be available to send to our allies.

The President agreed with this last statement, and said he was forced to conclude that this was a counsel of desperation, because we couldn't supply conventional weapons in the amounts which we had promised.

At this point Mr. Dodge stated that he desired to discuss the proposed Mutual Security Program in a more general and critical way. He called the Council's attention to the fact that in former years the Congress had invariably cut the appropriations figure for foreign assistance which came from the executive departments. In spite of this fact, the Mutual Security Agency was actually asking for more money this year than they had asked the Congress for in FY 1953—$300 million more. To Mr. Dodge this was politically infeasible, and he felt that the Mutual Security Agency should take into account the very large unexpended balances for both military and economic aid which had accumulated. The existence of these unexpended funds, said Mr. Dodge, contrasted very unfavorably with a request for such a large new appropriation for the forthcoming fiscal year.

The President said that while the Mutual Security people might have a problem with their unexpended balances, he himself was not certain that Mr. Dodge's criticism took into account sufficiently the final objectives of our foreign assistance program. If we undertake now to cut still further on the budget of the Mutual Security Agency it was perfectly plain that we would not achieve these objectives. In fact, continued the President, he was actually astonished that the Mutual Security figure was not larger, in view of what would presently be required for the rearmament of Germany.

Mr. Dodge stuck to his guns, and stated that a request for new obligational authority of approximately $4 billion, instead of the $6.3 billion for FY 1953, seemed to him ample to ensure the necessary flexibility in administering foreign military assistance. If we persisted in asking for the larger figure, Congress was certainly likely to cut it to at least $4 billion.

The President remained unconvinced by these arguments, and again stated that we could not possibly contemplate wasting all the money that we have spent in prior years on military assistance, by casting aside important parts of our program at the very time when they were on the point of completion. This was no genuine economy and made no sense to him.

Secretary Smith said that the State Department had gone over the Mutual Security Program very carefully. He noted that we had several obligations with respect to Germany. It would cost $100 million to stockpile the necessary supplies for the City of Berlin. We had other commitments in Germany, and we must commence German rearmament the very moment that ratification of the EDC agreements made it possible. Nothing had yet been done to offset the alarming rearmament in East Germany, and there was no provision to meet any of these commitments in the present Mutual Security Program. Hence, said Secretary Smith, he could only conclude that the ceiling on appropriations for Mutual Security would have to be raised rather than lowered. The flexibility of which he had heard so much would have to be up rather than down.

Mr. Dodge remained unconvinced by these statements or by the President's argument that Congress was firmly in favor of the program to rearm West Germany.

The President said that while he agreed with Mr. Dodge that there had been serious mismanagement by the past Administration and that this was an important reason for the existence of large unexpended balances in Mutual Security funds, this nevertheless did not appear to him to offer an excuse for a more drastic cut in the request for new obligational authority. What it indicated to the President was the need for better management of funds appropriated. Since, he continued, this Administration had agreed to place its budget in the hands of the Congress by the first week in May, it seemed to him best to discontinue discussion of the program at this point and to take it up again at an emergency meeting of the Council when its regular members had returned from Europe. It would then be possible to present to Mr. Stassen the feeling that the expenditure records and the existence of unexpended funds in the Mutual Security Program did not seem to jibe clearly with his request for new obligational authority in the amount of $6 billion.

It was agreed thereafter to defer discussion of the Mutual Security Program until another meeting of the Council.

The President left the meeting at 12:30 p.m.

After the President had left, Secretary Kyes urged the desirability of a more careful review of the matériel requirements which were sent in to MSA by our European allies. In some cases, notably British requests for ammunition, the requirements were fantastically high. There was general agreement with the proposal made by Secretary Kyes.

Mr. C. D. Jackson then raised the question of tactics in presenting the Administration's program and budget. He asked whether, in view of the decision to postpone action on the Mutual Security Program, the President would still propose to talk the next morning with the majority leaders as scheduled.

The Vice President counseled against such a proceeding, and thought it best to postpone any discussion of the budget with the Congressional leaders until the entire program was ready, particularly if there was any possibility of a further reduction in the appropriations for the Mutual Security Agency. It was highly important, said the Vice President, in view of Congressional sentiment for more drastic cuts in the budget, not to risk Congressional repudiation of the President in the very fields in which he was an expert, namely, the military and foreign assistance fields. Unless the matter were carefully arranged, the Congress might make very drastic cuts in the Defense and Mutual Security Programs.

Mr. Jackson answered that he was in perfect agreement with these and other arguments for postponing the meeting with the majority leaders until a decision had been reached on the whole of NSC 149/1. But what, he inquired, would happen when Secretaries Dulles and Wilson and Mr. Stassen talked tomorrow at the NATO meeting? Would they not let the cat out of the bag in Europe, and would not the levels of expenditure thereafter be immediately known?

The Vice President inquired how much it would be necessary for Secretaries Dulles and Wilson and Mr. Stassen to reveal at the NATO meeting.

Secretary Kyes thought that Secretary Wilson expected word of the decision at the present Council meeting as to what it was appropriate to reveal to NATO.

Mr. Dodge, however, pointed out that they would be talking only about expenditure figures for foreign assistance and not appropriation figures, and since the expenditure figures for FY 1954 in the Mutual Security Program were not in question and were perfectly acceptable, there would be no problem at the NATO meeting.

Mr. Cutler suggested that the Vice President, Mr. Jackson, and certain other members of the Council remain behind to discuss with the President the desirability of postponing any discussion with the majority leaders until after the Council considered again the Mutual Security Program.

The National Security Council: [7]

a. Adopted in substance Part I of NSC 149/1, including the amendments read at the meeting by Mr. Cutler, subject to editorial changes and suggestions by the Council members.

b. Adopted the statement on the Military Program in Part II of NSC 149/1 subject to:

(1) The amendments read at the meeting by Mr. Cutler.

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[7] Paragraphs a–f constitute NSC Action No. 768. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

(2) The understanding that:

The Department of Defense will proceed with the presentation of the FY 1954 budget to Congress, on the basis of the personnel strength in NSC 149/1 and in conformity with the new obligational authority and estimate of expenditures contained therein. Because of the limited time available to the Department to review and appraise the effects of these policy decisions upon the size and structure of the military organization, the Department of Defense in connection with FY 1955 will review the planned military combat units and present to the Council, at an early date, a revised force structure within the personnel limitations, new obligational authority and expenditure estimates indicated in NSC 149/1. Pending the presentation of such revisions, force structure and force combat units currently planned for June 30, 1953 will be continued as effective units, except that the Air Force may add additional combat units to the extent that it can be accomplished within the 915,000 military personnel allocation and within the total expenditure estimates available to the Department of Defense.

c. Agreed to the estimate of FY 1954 expenditures for the Mutual Security Program contained in paragraph 11-a of NSC 149/1, but deferred further action on the statement of the Mutual Security Program in Part II of NSC 149/1 until a special meeting of the Council.

d. Agreed with the recommendation of the Acting Secretary of Defense that the matériel requirements stated by nations receiving military assistance should be subject to review and validation by the United States prior to the provision of such military assistance.

e. Adopted the recommendation of the Acting Secretary of Defense that the large ship reactor program and the aircraft nuclear propulsion program be eliminated as not required from the viewpoint of national security.

[Here follows subparagraph f, a brief review of atomic energy matters.]

Note: The actions in b, c and f-(2) as adopted and approved by the President transmitted to the Secretary of Defense for implementation. The action in c as adopted and approved by the President transmitted to the Director for Mutual Security for implementation. The action in d as adopted and approved by the President transmitted to the Secretary of Defense and the Director for Mutual Security for implementation. The action in f-(1) and f-(3) as adopted and approved by the President transmitted to the Atomic Energy Commission for implementation.

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S. EVERETT GLEASON

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 141st Meeting of the National Security Council, Tuesday, April 28, 1953 [1]

[Extract]

TOP SECRET EYES ONLY

Present at the 141st meeting of the National Security Council were the President of the United States, Presiding; the Vice President of the United States; the Secretary of State; the Acting Secretary of Defense; and the Director for Mutual Security. Also present were the Secretary of the Treasury; the Director of Defense Mobilization; General Vandenberg for the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Mr. Robert Cutler, Special Assistant to the President; Major General Wilton B. Persons, USA (Ret.), Special Assistant to the President; Colonel Paul T. Carroll, Military Liaison Officer; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a general account of the main positions taken and the chief points made at this meeting.

. . . .

5. *Basic National Security Policies and Programs in Relation to Their Costs: The Mutual Security Program* (NSC Action No. 768; [2] NSC 149/1; [3] Memos for NSC from Executive Secretary, subject: "Basic National Security Policies and Programs in Relation to Their Costs", dated April 21 and 22, 1953; [4] Memo for All Holders of the April 21 memo, dated April 23, 1953 [5])

Mr. Cutler called the Council's attention to the changes recommended by the Planning Board in Part I of NSC 149/1, and Mr. Stassen pointed out the inadvertent omission of a paragraph with respect to assistance to the Near East. Subject to the approval of the Secretary of State, Mr. Stassen desired to insert a paragraph dealing with this area.

The Council proceeded to make further changes and clarifications of the text of this report, notably with respect to a proposal by Secretary Kyes that the Air Force be permitted to achieve its reduced personnel ceiling at the end of FY 1955 instead of June 30, 1954. While Secretary Kyes noted that this would add $200 million to the Defense Department budget, it was likely to provide us with an Air Force of 114 wings by June 30, 1955. Among other advantages, this could greatly assist us in meeting the problem of tactical air support in NATO.

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[1] Drafted by Deputy Executive Secretary Gleason on Apr. 29.

[2] For NSC Action No. 768, see footnote 7, *supra*.

[3] Not printed. (S/S–NSC files, lot 63 D 351, NSC 149 Series)

[4] No copy of the Apr. 21 memorandum under reference has been found in Department of State files; a copy of the Apr. 22 memorandum is in S/S–NSC files, lot 63 D 351, NSC 149 Series.

[5] Not found in Department of State files.

Mr. Stassen, in response to the misgivings noted at the last Council meeting with respect to his desire for new appropriations in the amount of $6 billion despite the existence of considerable unobligated balances, explained that the need for new appropriations of this magnitude for 1954 was to complete programs already en train or commitments long since made. He noted his determination that all unobligated balances would, at the beginning of the next fiscal year, be deducted from the $6.3 billion appropriation. The unobligated balance was now estimated to be about $400 million. Mr. Stassen thought that this proposal would go far to close the gap between MSA and the Bureau of the Budget. The chief obstacle to closing the gap was, of course, the $750 million set aside for the special new weapons program which was to be controlled by the President. Mr. Stassen explained that this figure had been chosen more or less arbitrarily and out of the air, primarily as a psychological boost to our allies. There had been much discussion of our new weapons, and many of our allies were hopeful that in due course some of these would be made available to them. While admittedly such weapons were not available yet, Mr. Stassen thought that some provision should be made in his budget in the event that they became available and it was decided to give some to our allies. He recalled that emphasis on new weapons was an important part of our new policy with respect to military assistance.

The President inquired whether Mr. Stassen had consulted with the Defense Department people on this item.

Secretary Kyes informed the President that Secretary Wilson was opposed to the inclusion of the $750 million figure, and that he himself was not clear as to the purpose it served. Certainly the weapons did not exist now.

Secretary Dulles agreed that some figure for new weapons should be included, but thought the present figure too high.

Mr. Stassen stated that he was agreeable to any figure which the Council could agree upon, pointing out that it would in any case take some four years to build the type of weapons that he had in mind. He thought it would be bad psychology to reduce the figure too much, and pointed out that in any event the President must approve the use of funds in this category as well as the transfer of these weapons.

There followed a discussion of offshore procurement, in the course of which Secretary Kyes expressed a disinclination to defend the figures on this item before the Appropriations Committee. He was assured by Mr. Stassen that the Mutual Security Agency was fully prepared to justify its proposed military assistance expenditures before the Appropriations Committee.

Secretary Dulles, however, expressed the view that Defense ought to be willing to state clearly that funds expended for offshore procurement were plainly in the interest of national defense and national security.

Logically, said the President, the whole appropriation for national security should be in one lump sum and everybody at this table must so regard it, even though Congress thinks and operates otherwise. In any case, said the President, after it was agreed to reduce the $750 million figure for special weapons to $250 million, he was gratified that we seemed to be approaching fairly close to Mr. Dodge's budget objectives.

Before adding up the totals, however, Secretary Dulles warned that the State Department wanted $100 million for stockpiling in Berlin.

Mr. Stassen stated that this sum should be added to the $5.8 billion to which his appropriation figure had now been reduced.

The President, however, inquired whether this sum could legally be taken out of the $400 million of estimated unobligated balances which Mr. Stassen contemplated having at the end of the fiscal year.

Secretary Dulles suggested a figure of $50 million for stockpiling in Berlin, with which amount the President expressed agreement.

The Council members noted that the Truman budget had now been reduced by $2 billion. Satisfaction was expressed by Secretary Humphrey and other members at the general scale of the reduction.

The National Security Council: [6]

a. Adopted NSC 149/1 subject to the actions taken at the previous Council meeting and to the following actions taken at this meeting:

(1) The editorial clarifications proposed by the Planning Board in Part I.

(2) Amendment of the 3rd and 4th lines of paragraph 5 to include the Chinese Communists as well as the Soviets.

(3) Amendment of paragraph 9-b, page 8, to provide that the reduction in military personnel strength for the Air Force is to be achieved by June 30, 1955 in lieu of the date June 30, 1954.

(4) Amendment of paragraph 10-e-(3), page 13, to insert "and Pakistan" after "India".

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[6] Paragraphs a-b constitute NSC Action No. 776. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action") This paper, as approved, is printed as NSC 149/2, *infra.*

(5) Addition of a new subparagraph 10–e–(4) on the Near East, and renumbering of the remaining subparagraphs.

(6) Reduction of the amount for "Special New Weapons" from $750 million to $250 million, in paragraph 11–b, page 16, thus reducing the total FY 1954 new appropriation request from $6.3 billion to $5.8 billion, with the understanding that this figure will be further reduced by deducting an amount equal to the unprogrammed and unobligated balances remaining at the end of FY 1953. These balances were estimated to total about $400 million, after assuming a deduction of approximately $50 million from currently unprogrammed funds for the Berlin industrial stockpile.

(7) Delete the estimate of FY 1955 appropriations (paragraph 11–d).

b. Directed the NSC Planning Board to prepare for Council consideration a revised report on basic national security policies, based on Part I of NSC 149/1 as amended and adopted and covering all national security programs, to supersede NSC 20/4, NSC 68/2 and NSC 135/3.

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S. EVERETT GLEASON

S/S–NSC files, lot 63 D 351, NSC 149 Series

Report to the National Security Council by the Executive Secretary (Lay) [1]

TOP SECRET WASHINGTON, April 29, 1953.

NSC 149/2

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON BASIC NATIONAL SECURITY POLICIES AND PROGRAMS IN RELATION TO THEIR COSTS

References:

A. NSC Action Nos. 768 and 776 [2]

B. NSC 149/1 [3]

C. Memo for NSC from Executive Secretary, same subject, dated April 21 and 22, 1953 and Memo for All Holders of April 21 memo, dated April 23, 1953 [4]

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[1] Copies to the Secretary of the Treasury, the Directors of Defense Mobilization, Central Intelligence, and the Bureau of the Budget; the Chairmen of the Joint Chiefs of Staff and the Atomic Energy Commission; and to the Federal Civil Defense Administrator.

[2] For NSC Action No. 768, see footnote 7, p. 300; for NSC Action No. 776, see footnote 6, *supra*.

[3] Not printed. (S/S–NSC files, lot 63 D 351, NSC 149 Series)

[4] See footnotes 4 and 5, *supra*.

The National Security Council, the Secretary of the Treasury, the Director of Defense Mobilization, the Director, Bureau of the Budget, the Chairman, Atomic Energy Commission, and the Federal Civil Defense Administrator at the Council meetings on April 22 and April 28, 1953, amended and adopted NSC 149/1 as indicated in NSC Action Nos. 768 and 776, including the following understandings:

a. With respect to the Military Program in Part II of NSC 149/1:

> The Department of Defense will proceed with the presentation of the FY 1954 budget to Congress, on the basis of the personnel strength in NSC 149/1 and in conformity with the new obligational authority and estimate of expenditures contained therein. Because of the limited time available to the Department to review and appraise the effects of these policy decisions upon the size and structure of the military organization, the Department of Defense in connection with FY 1955 will review the planned military combat units and present to the Council, at an early date, a revised force structure within the personnel limitations, new obligational authority and expenditure estimates indicated in NSC 149/1. Pending the presentation of such revisions, force structure and force combat units currently planned for June 30, 1953 will be continued as effective units, except that the Air Force may add additional combat units to the extent that it can be accomplished within the 915,000 military personnel allocation and within the total expenditure estimates available to the Department of Defense.

b. With respect to the Mutual Security Program in Part II of NSC 149/1:

> The matériel requirements stated by nations receiving military assistance should be subject to review and validation by the United States prior to the provision of such military assistance.

c. With respect to the Atomic Energy Program in Part II of NSC 149/1:

> (1) The large ship reactor program and the aircraft nuclear propulsion program will be eliminated as not required from the viewpoint of national security.
>
> (2) The Atomic Energy Commission will review the possibility of further reductions as a result of the elimination of the large ship reactor program and the aircraft nuclear propulsion program.
>
> (3) The Secretary of Defense will urgently review the military requirements for atomic weapons in the light of the revisions in the Military Program.
>
> (4) The Atomic Energy Commission will recommend revisions in its expansion program in the light of any changes in military requirements resulting from (3) above.

The Council in adopting NSC 149/1, as amended, directed the NSC Planning Board to prepare for Council consideration a revised report on basic national security policies, based on Part I of the enclosure and covering all national security programs, to supersede NSC 20/4, NSC 68/2 and NSC 135/3.

The President has this date approved NSC 149/1 as amended and adopted and enclosed herewith, and directs its implementation by all appropriate Executive departments and agencies of the U.S. Government.

JAMES S. LAY, JR.

[Enclosure]

Report Approved by the National Security Council, April 28, 1953

TOP SECRET [WASHINGTON, April 29, 1953.]

BASIC NATIONAL SECURITY POLICIES AND PROGRAMS IN RELATION TO THEIR COSTS

PART I

STATEMENT OF POLICY

General

1. A vital factor in the long-term survival of the free world is the maintenance by the United States of a sound, strong economy. For the United States to continue a high rate of Federal spending in excess of Federal income, at a time of heavy taxation, will weaken and might eventually destroy that economy. As rapidly as is consistent with continuing our leadership in the free world, and barring basic change in the world situation, the United States will balance its Federal expenditures with its Federal income and will maintain over-all credit and fiscal policies to assist in stabilizing the economy.

2. Because the United States has commitments and responsibilities which, in the interest of the national security, must be met in the near future, it can approach only gradually a balancing of its Federal budget. But the Administration should frankly state at this time to the people that it is resolved to attain this new objective and how it expects to do so. It should also make clear the continuing nature of the Communist threat, and the resulting fiscal situation, which confronts us.

3. So long as there is war in Korea, the United States should not substantially reduce the level, though it may change the form, of its Federal taxation.

4. While bringing the Federal Budget into balance, the United States will continue to maintain over a sustained period armed forces to provide for the security of the United States and assist in the defense of vital areas of the free world. The national security program expenditures outlined in Part II for FY 1954 and FY 1955 will provide greater force strength than we have today—in the United States, in NATO, and in the Far East. Further continuing study will be required to relate this force strength to basic national security objectives.

5. Subject to paragraphs 1 and 2 above, the United States will continue to assist in building up the strength of the free world; will oppose expansion by the Soviets and Communist China and deter the power of the Soviets and Communist China from aggressive war; will continue to exploit the vulnerabilities of the Soviets and their satellites; all with a view to the ultimate retraction and reduction of the Soviet system to a point which no longer constitutes a threat to the security of the United States.

6. In carrying out paragraph 5 above, the U.S. should:

a. *Increase* emphasis on

(1) bringing the Korean war to a final settlement acceptable to us;

(2) aiding in the prosecution of the war in Indo-China to a favorable conclusion, without direct intervention except possibly in the event of Chinese Communist aggression or of other basic change;

(3) protection of the continental United States from enemy attack, by both offensive and defensive military measures and by non-military measures;

(4) off-shore procurement of military matériel, designed to increase the capability of our allies to support their own defenses;

(5) development and maintenance of production plant capacity in the United States as a base for essential wartime output, to lessen dependence on large reserve stocks of end-items;

(6) reduction of overhead and elimination of waste and duplication;

(7) lowering of trade barriers and encouragement of reciprocal trade on a mutually favorable basis consistent with the overall national interest.

b. *Decrease* emphasis on

(1) expansion of NATO forces to previously projected levels by early fixed target dates;

(2) expansion of U.S. armed forces to currently authorized force levels and of material stocks to full D-day readiness by fixed target dates.

Development of Nuclear Power

7. a. The early development of nuclear power by the United States is a prerequisite to maintaining our lead in the atomic field. A program for such early development should be carried forward primarily through private, not government, financing.

b. The advantages of private financing are:

(1) To tap the great scientific laboratories of private enterprise;
(2) To bring about competition between private and government laboratories with benefit to both;
(3) To provide some further dispersal of fissionable material production capacity;
(4) To create new industries, new employment, and new sources of taxes.

c. For a practicable policy of nuclear power, industry should be permitted (subject to appropriate security safeguards) to:

(1) Own and operate nuclear power facilities;
(2) Buy or lease fissionable material;
(3) Use and transfer fissionable and by-product materials not purchased by the Atomic Energy Commission; and
(4) Have more liberal patent rights than presently granted.

Accordingly, immediate positive steps should be taken for legislation along these lines.

d. No additional funds for a pilot plant (experimental sodium graphite reactor) should be authorized at this time, other than the approximately 3 million presently included in FY 1953 and FY 1954 budgets.

e. It is expected that industry will participate with its own funds and facilities in this program when the recommended legislation is passed.

PART II

OUTLINE OF MAJOR PROGRAMS

Military Program

8. To achieve by FY 1956 or 1957 the forces and readiness levels contemplated by NSC 114/3 [5] would seem to require an average annual expenditure of $45 billion for the Department of Defense for FY 1954, FY 1955 and FY 1956, even assuming an important increase in efficiency and effectiveness of personnel. To maintain such forces and readiness for the years immediately following FY 1956 would also seem to require annual expenditures averaging $40 billion. All figures assume no increased inflation. Such levels of ex-

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[5] Dated June 5, 1952, p. 20.

penditure are inconsistent with the policies proposed in Part I, paragraphs 1 through 5.

9. Progress in bringing the military program in line with these policies will be made as follows:

a. The entire military program, including missions, forces and readiness levels, will not be related to a "specified" date for D-Day readiness and will be reviewed and modified from time to time as the result of periodic recommendations from the Joint Chiefs of Staff and in view of changing tactical, strategic, and economic considerations throughout the world. In particular, all missions will be carefully reviewed as rapidly as possible in order to determine whether or not there is any overlapping which unnecessarily commits any of the services to responsibilities which can better be served by another service or by a combination of services as a result of changing capabilities, modernization or more effective planning. This military program assumes a steady improvement in defense capabilities, with a substantial base for full mobilization in the event of all-out war. It is a program that should continue to be sound and livable over a period of years.

b. The guide lines with respect to force levels for the Army and Navy will be to retain for FY 1954 substantially the combat forces presently in being, with every effort being made to reduce overhead resulting from the inefficient utilization of manpower and at the same time to provide substantially increased modernization of equipment. In the case of the Air Force, substantially increased combat effectiveness will be achieved both through modernization of equipment and by an important increase in the number of combat wings. The exact number of wings to be activated and made combat ready during this period (FY 1954–FY 1955–FY 1956) will be determined by taking into account technical developments, the availability of certain desirable improved aircraft, and the necessity of maintaining a healthy base with respect to the aircraft-manufacturing industry so that its production capabilities are reasonably retained for a number of years. Consistent with what has been said above, and without reducing the number of military personnel allocated to combat units, numbers of military personnel are to be rephased and adjusted to achieve, as rapidly as possible but no later than the dates specified, a reduction for the Army of 125,000 (30 June 1954), for the Navy and Marine Corps an aggregate of 75,000 (30 June 1954), and for the Air Force of 50,000 (30 June 1955)—a total of 250,000—from the number reported on 28 February 1953. The number reported on 28 February 1953 was: for the Army 1,495,000, excluding 2,244 Military Academy Cadets; for the Navy, 802,936, excluding 6,452 Midshipmen and Naval Aviation Cadets; for the Marine Corps, 242,300; and for the Air Force, 965,425—a total of 3,505,661, excluding Military Academy Cadets, Midshipmen, and Naval Aviation Cadets.

So long as the Korean hostilities continue at substantially the current level of activity the Army and the Marine Corps may retain, out of the reduction stated above, up to 51,000 and 5,000 military personnel, respectively, in order to provide the personnel pipeline necessary to support the rotation policy.

c. The mobilization base will include proven and retained capacity to produce as well as a minimum stockpile of material. A careful balance must be worked out between (1) weapons that are immediately required if war occurs and (2) the lead times necessary to produce in quantity weapons of proven design from existing or readily available capacity. Technological progress with respect to new weapons and equipment makes this a desirable policy rather than to risk the stockpiling of end items that deteriorate or quickly become outmoded or obsolete. Insofar as possible it will be the policy of the Department of Defense to utilize commercial items and to take advantage of capacity normally used for the production of civilian goods.

d. The *FY 1954 budget* must be distinguished from *cash expenditures in FY 1954*. The FY 1954 budget is a request that Congress appropriate new funds to be available for commitment during FY 1954 (over and above the balance of funds appropriated in prior fiscal years, which as of 30 June 1953 is estimated to total $62 billion and are largely already committed). On the other hand, cash expenditures actually made in FY 1954 will come from (1) unexpended portions of funds appropriated as above mentioned in prior fiscal years, whether or not heretofore committed, and (2) funds newly appropriated in FY 1954 in response to the budget request.

e. The FY 1954 budget submitted by the prior Administration in January was for $41,286,000,000. This figure did not include (1) an undetermined amount to be later requested for public works as part of the 1954 program and (2) funds to carry the Korean war through FY 1954. Without now deciding to change the ultimate force and readiness goals approved in NSC 114/3, it should be possible to reduce the above-mentioned FY 1954 budget request by a substantial sum, even up to $5 billion, and still cover requirements for Korean combat at approximately current levels as well as public works. This reduction can be made through anticipated intelligent savings in manpower, better stock control, reductions in inventory, and an important reduction in the lead time required for additional commitments, because in many cases capacity has been established and production is flowing. Where new products are being put into production, a careful review of engineering, tooling and production lead time can also result in reduced commitments and the finished products still obtained on time.

f. The desirability of keeping cash expenditures in line with cash receipts is recognized. By following the programs outlined in paragraphs a through e above, there should result an increasingly strong posture of defense and the cash expenditure levels estimated below. These expenditure levels can be achieved only by exercising better financial and administrative control, effective balancing of all military programs, and avoidance of any further inflation. They are in part made possible by an estimated reduction of $1.0 billion annually through a clear allocation of work and responsibility, avoiding duplication of effort, and better utilization of manpower.

g. By following the foregoing programs, it should be possible to reduce the level of expenditure during FY 1954 to approximately $43.2 billion (which includes $2 billion extra costs for continuation of the Korean war at substantially the current level of activity through the whole Fiscal Year and for build-up to 20 ROK divisions). It is hoped that in subsequent fiscal years the expenditure levels can be progressively reduced to approximately $40 billion during FY 1955 and to approximately $35 billion during FY 1956. The level of expenditure in FY 1956, however, is subject to revision after a new study of force and readiness levels, which will take into account all developments since NSC 114/3.

Mutual Security Program

10. The proposed new mutual security program designed to implement the policy decisions and to serve the United States objectives set forth in Part I hereof through mutual progress in military, economic, and moral strength among the free nations will have the following characteristics:

a. The United States recognizes that it must continue to take leadership in strengthening the free world.

b. The change to the new program, while rapid, will not be abrupt, with general adherence to the 1953 calendar year commitments with other nations—the new course to be reached in January 1954.

c. Emphasis will be placed upon:

(1) New and modern weapons.

(2) Sound and stable economies in the free nations, with increasing productivity, and substantial equitable defense contributions by each.

(3) Increased use of private capital.

(4) Expanded trade and offshore procurement.

(5) Longer-term programs for improved planning, procurement, and production base.

(6) Regional economic and trade arrangements in the Far East.

(7) Decrease in numbers and improvement in competence of U.S. personnel overseas.

d. NATO first-line divisions will be brought to earlier high combat effectiveness through being equipped in part through the use of a portion of the U.S. Continental supply of critical items, in accordance with U.S. priorities, and future NATO force levels will be reduced to a size attainable within the comprehensive policy.

e. The U.S. will concentrate on vital free countries—helping the weakest to attain economic strength, and encouraging and enlisting the strong to maximize their carrying of their share of the over-all defense requirements.

For example, we shall give top priority attention:

(1) In Western Europe; to France, with aid, in view of its heavy commitments in Indo-China and its key geographic and general position in Europe; to Germany, with rapid equipment of military units when approved, and with enlistment for adequate defense-sharing in view of its large capabilities.

(2) In the Far East: to Indo-China as the weak point, encouraging and supporting a sound military, political and economic

plan; to Japan, with rapid equipment of military units when approved, and with enlistment for adequate defense-sharing as a part of an interrelated economic program.

(3) In South Asia: to India and Pakistan, with moderate annual aid for the next four years.

(4) In the Near East: to Egypt, moderate U.S. aid to encourage a regional defense organization; a peace between the Arab States and Israel, and related problems.

(5) In Latin America and Africa: to greater development of raw materials through private capital, to the economic advance of the indigenous peoples, to technical and educational cooperation, but with minor U.S. Government monetary aid.

(6) World-wide: to the United Kingdom, to shift and strengthen the British internal economy, move toward convertibility of sterling, maximize offshore procurement of aircraft, and emphasize air strength.

(7) Among all free nations: encourage and support multilateral organized cooperation, especially EDC, maximize combined effectiveness, minimize disagreements, foster unity.

f. The policy and program will be administered in closest conformity with the foreign policy responsibilities of the Secretary of State and the military policy responsibilities of the Secretary of Defense.

g. The policy and program will be planned on the assumption that inflation at home (whether arising from governmental deficit financing, excessive consumer credit, etc.) will not be permitted to destroy the effect of our policies abroad.

11. The levels of expenditure and of appropriation for the new mutual security program implementing the policies of Part I hereof will be reduced as follows: (All figures are for U.S. dollars exclusive of local currency counterpart.)

a. *FY 1954 Expenditures*

6.5 billion* (approximate), reduced 1.5 billion from the January, 1953, 8 billion† estimate of rate of expenditure. ‡ The 6.5 billion expenditure will be divided approximately 5 billion for MDAP (military end items, etc.) and 1.5 billion for economic defense support, aid and technical assistance.

b. *FY 1955 Expenditures*

6.3 billion (approximate), reduced 1.5 billion from January, 1953, 7.8 billion† estimate of the rate of expenditure.‡

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* These expenditure amounts are subject to minor adjustments during the year and are exclusive of any new special programs, such as an expanded Korean program or activated Spanish program. [Footnote in the source text.]

† The February 24, 1953 memorandum entitled "Costs of National Security Program", expenditure estimates for the Mutual Security Program were stated as 7.4 billion in FY 1954 and 8.0 billion in FY 1955. [Footnote in the source text. A copy of the memorandum under reference is in S/S–NSC files, lot 63 D 351, NSC 124 Series.]

‡ Based upon delivery of military end items from accumulated obligational authority and past contracts and commitments. [Footnote in the source text.]

c. *FY 1954 Appropriations for New Obligational Authority*

A reduction from the 7.6 billion budget of the preceding administration of at least 1.8 billion to a maximum of 5.8 billion. This figure will be further reduced by deducting an amount equal to the unprogrammed and unobligated balances remaining at the end of FY 1953 (estimated to total about $400 million, after assuming a deduction of approximately $50 million from currently unprogrammed funds for the Berlin industrial stockpile). The major components of the 5.8 billion will be:

1,000 million—Economic-Defense Support Aid—Europe Title I.
625 million—Economic-Defense support, technical aid—Balance of the World—Titles II, III, IV.
1,600 million—U.S. Off Shore Procurement.
2,325 million—U.S.—MDAP world-wide.
250 million—Special new weapons—program controlled by the President.
5,800 million—*Total*

d. *FY 1955-1956-1957*

Gradual reduction in spending and appropriations, with the anticipation that unless a *major favorable or unfavorable change* in the world situation occurs there will be a continuing necessity beyond FY 1957 and for as long as major danger of war persists, to provide a portion of the cost of replacement, spare parts, and maintenance of a magnitude of 3 or 4 billion.

Atomic Energy Commission Program§

12. To carry out the statement of policy in Part I above, the following actions will be taken with respect to the Atomic Energy Commission Program:

a. The sixth reactor at Savannah River ($170 million) and additional weapon fabricating facilities ($10 million) will be eliminated, and the estimated cost of the two new Hanford reactors will be substantially reduced ($48.6 million). However, increases will be necessary in the proposed FY 1954 Budget Expenditures in order to construct new facilities for the production of special materials, particularly lithium-6, required for thermonuclear weapons. The net effect of these additions and deletions will be to reduce previous estimated expenditures for FY 1954 by $100 million and FY 1955 by $134 million.

b. As a result of more clearly defining the Atomic Energy Commission's basic plans for FY 1955, the previously estimated expenditure rate of $2.8 billion for FY 1955 will be reduced by $172 million.

c. Estimated reductions of $14 million in FY 1954 and $28.7 million in FY 1955 will be effected by savings in the Atomic Energy Commission's security program, and by assuming a year's postponement of the large ship reactor program and a stretch-out of the aircraft nuclear propulsion program.

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§ This outline does not include reductions in Department of Defense expenditures related to atomic energy projects. [Footnote in the source text.]

d. As a result of the decision not to construct a sodium graphite pilot plant reactor, reductions in estimated expenditures of $3 million in FY 1954 and $4 million in FY 1955 will be effected.

e. On the basis of a re-examination of the rate of expenditures for all major capital projects, including those in the expansion program, a determination has been made with respect to the minimum rates of expenditures for FY 1954 and 1955 that would permit continuation of the program in accordance with present schedules. Based on this analysis, estimated expenditures for FY 1954 will be reduced by $106 million and for FY 1955 by $57.5 million. Because it is impossible to predict a reduction in the total ultimate costs of these projects, the effect of this rescheduling of expenditures is to defer the amount of the reductions beyond FY 1955. It is recognized that reducing the estimated expenditures to a minimum involves a risk as to our ability to meet construction schedules if contingencies, which may well arise, require increased rates of expenditures in FY 1954 and 1955.

Estimated expenditure levels in millions

	FY 1954	*FY 1955*
Previously projected expenditures	$2,700.0	$2,800.0
Currently projected expenditures	2,476.0	2,404.0
Total estimated reductions	$224.0	$396.0

PART III

SUMMARY OF REDUCTIONS IN PROGRAM EXPENDITURES

13. The reduction in expenditures summarized below are reductions from the projected expenditures for national security (including AEC) programs stated in the February 24, 1953 memorandum entitled "Costs of National Security Programs":

Reduction in expenditures in billions

	FY 1954	*FY 1955*
DOD	2.3	4.
MSA	[‖].9	[‖]1.7
AEC	.2	.4
	3.4	6.1
Assumed reductions proposed by the BoB in March 5, 1953 memorandum [6]	6.8	14

[‖] The figures for reductions in expenditures appearing in paragraph 11 above are 1.5 billion and 1.5 billion. [Footnote in the source text.]

[6] Not printed.

If the current revenue levels are maintained and if a reduction in expenditures of one billion is assumed in each year for non-security programs, the above reductions of 3.4 and 6.1 would result in a budgetary position as follows:

	(Billions of dollars)			
	Cash Basis		*Budget Basis*	
	1954	*1955*	*1954*	*1955*
(a) Deficit as estimated in "Budget Outlook" (assuming presently scheduled tax expirations)	6.6	11.7	9.9	15.0
(b) Reductions in deficit by proposed expenditure reductions:				
(1) In non-security programs	1.0	1.0	1.0	1.0
(2) In security programs (above)	3.4	6.1	3.4	6.1
(c) Deficit (assuming presently scheduled tax expirations)	2.2	4.6	5.5	7.9
(d) Gain in revenues if current tax rates are maintained	2.1	8.0	2.1	8.0
(e) Deficit or surplus	−0.1	3.4	−3.4	0.1

Editorial Note

On April 30, President Eisenhower actively pursued the basic national security policies set forth in NSC 149/2. On that day, the President submitted a Special Message to Congress transmitting Reorganization Plan No. 6 of 1953 concerning the Department of Defense. At the same time, he held a news conference in which he prefaced questions and answers with a brief statement concerning the future course of national defense policy in relation to cost. The text of the President's Special Message to Congress is printed in *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1953,* pages 225–238; for the transcript of the President's news conference, see *ibid.*, pages 238–252.

Also on April 30, President Eisenhower and members of his administration met with key Congressional leaders including Senators Taft (R., Ohio), Bridges (R., N.H.), Knowland (R., Calif.), Millikin (R., Colo.), Saltonstall (R., Mass.), Hickenlooper (R., Iowa), Wiley (R., Wisc.), and Ferguson (R., Mich.) as well as Representatives Martin (R., Mass.), Halleck (R., Ind.), Arends (R., Ill.), Taber (R., N.Y.), Short (R., Mo.), Reed (R., Ind.), Chiperfield (R., Ill.), Cole (R., N.Y.), and Wigglesworth (R., Mass.). The purpose of the meeting, the President stated, was to talk "about the difficulties of the economic situation." He first read NSC 149/2 and spoke of reducing the Truman administration's fiscal year 1954 budget by $8.4 billion. "The President dealt at length with the dual threat facing the United States: the external threat of Communism and the internal threat of a weakened economy. He asserted that the Administration would follow a new policy which would continue to give primary consideration to the external threat but would no longer ignore the internal threat." The President then stressed the terrible expense of existing "security programs", alluding specifically to NSC 141 of January 19, 1953 (for text, see page 209). He further stated that the policy of his administration would be to seek to avoid weakening the economy while providing adequate security.

Following this presentation, administration and Congressional leaders discussed at length the problem of national security policies and programs in relation to cost. Senator Taft "stated his assumption that this meeting had been called to secure the comments of the [Congressional] Leaders, and he said he could not possibly express the deepness of his disappointment at the program the Administration presented today. The net result of it, he thought, would be to spend as much as Mr. Truman spent. Either there would be a large deficit or Congress would have to levy new taxes. It would be impossible to elect a Republican Congress in 1954 if this were to be the Administration program." Secretary of the Treasury George Humphrey "expressed his agreement with much of what Senator Taft had said, but he wanted it considered that this had been only a three-month start on the problem, and that the Administration would be keeping on for the next fifteen months." Senator Taft "rejoined that a whole new study was needed." Secretary Humphrey said "that was impossible in the three months available."

The meeting concluded with a brief discussion of the statement to be made to the press. Senator Taft "preferred Mr. Martin to make the statement in view of his own reservations." A copy of the nine-page "Notes on the Legislative Leadership Meeting," held at the White House on April 30 is in the Eisenhower Library, White House Staff Secretary records, 1952–61.

PPS files, lot 64 D 563, "Natl Sec (civil defense)"

Memorandum by Paul H. Nitze and Carlton Savage of the Policy Planning Staff[1]

TOP SECRET [WASHINGTON,] May 6, 1953.

CONTINENTAL DEFENSE

Continental defense has become imperative for the United States as a consequence of the threat posed by the Soviet development of atomic weapons.

The first Soviet atomic explosion detected by the United States was in late summer of 1949. Since that date, increasing U.S. attention has been devoted to continental defense, focused principally on: (1) military measures, offensive and defensive, including early warning of the approach of hostile craft; (2) non-military measures, including civil defense, reduction of urban vulnerability, post-attack rehabilitation, and continuity of Government.

Even before the first Soviet atomic explosion and in anticipation of the event, the Department of Defense began (1947) to prepare an air defense system for the defense of Continental United States and Alaska. This action was initiated by the Air Force in requesting an appropriation for the development of an early warning system. In 1948 and 1949 Department of Defense planning recognized the developing threat, but limited resources prevented substantial effort on a continental defense program. This early air defense planning visualized the need for early warning, radar control and direction systems, anti-aircraft artillery, naval picket vessels, and a fighter-interceptor force.

In NSC 68 of April 7, 1950[2] it was stated that within the next four or five years the Soviet Union would possess the military capability of delivering a surprise atomic attack of such weight that the United States must have substantially increased general air, ground, and sea strength, atomic capabilities, and air and civilian defenses to deter war and to provide reasonable assurance, in the event of war, that it could survive the initial blow and go on to the eventual attainment of its objectives.

In January 1951 the Federal Civil Defense Administration was established. Shortly thereafter, the FCDA, the NSRB, and the Department of Defense initiated Project East River to study the problem of continental defense, particularly its civil aspects. The report of Project East River was prepared by a large group of private citizens working over a period of almost two years. It pointed up the dangers to the United States from Soviet atomic attack, and recommended a number of measures for the defense of continental United States.

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[1] A notation on the source text reads: "Copy of this sent for NSC Planning Bd discussion."

[2] For text, see *Foreign Relations*, 1950, vol. I, pp. 234-292.

The impact of Project East River as well as further consideration within the Government of continental defense led to the Statement of Policy of December 31, 1952 (NSC 139).[3] It stated that because of the developing Soviet atomic threat: (1) we should plan to have an effective military and civil defense system ready no later than December 31, 1955; and (2) as one key element in this defense, an early warning system capable of providing a minimum of three hours warning should be made operational as a matter of high urgency, with a target date for completion of December 31, 1955. Negotiations looking toward the establishment of such an early warning system were begun immediately with Canada. As a consequence, we have received permission to construct an experimental station on Canadian soil, similar to two we decided to construct in Alaska, and we have begun construction of the three stations. We have also received permission from the Canadians to make surveys, with them, and to recommend the selection of sites for the extension of the system if the experiments prove successful.

The Panel of Consultants on Disarmament reported about this time that during their deliberations of several months no problem forced itself upon them more insistently and regularly than that of continental defense; that the intensive U.S. pre-occupation with the development of massive capability of atomic attack is not matched by any corresponding concern for U.S. defense in case of a Soviet atomic attack here; and that "there is every reason to proceed with greatly intensified efforts on continental defense."

NSC 141 of January 1953[4] concluded that probably 65 to 85 percent of the atomic bombs launched by the Soviet Union could be delivered on target in the United States; that a continuation of our continental defense programs, civil and military, at the level of the then existing appropriations involved critical risks; and that basic to the attainment of our objectives is allocation of large additional resources to civil and military defense of the continent.

The Joint Chiefs of Staff gave their views on this subject in a memorandum of March 19, 1953 regarding the proposed reductions in U.S. military expenditures.[5] They said that growing Soviet capabilities called for increased resources for continental defense; that there can be "no reduction in the commitment to defend the United States against disaster"; and that, therefore, some modification of the policies pertaining to other areas would be necessary in order to make available the minimum forces for this "primary task".

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[3] NSC 139, "An Early Warning System," Dec. 31, 1952, and related documentation is scheduled for publication in the compilation on U.S. relations with Canada in volume VI.

[4] For extracts from NSC 141, see p. 209.

[5] The memorandum under reference cannot be further identified.

The latest official guidance on this subject is in NSC 149/2 of April 29, 1953 [6] which states that we should increase emphasis on the protection of continental United States from enemy attack, by both offensive and defensive military measures and by non-military measures.

Valuable information on continental defense will become available soon from the Kelly Committee and the Edwards Committee which were appointed some months ago to study several aspects of the problem.

From the above it is evident that even before the Soviet atomic explosion in 1949 there has been an increasing realization of the danger to the United States from Soviet atomic potentialities and of a consequent urgency for continental defense measures. Yet in spite of this, there has been inadequate preparation to meet the danger, and the Soviet atomic stockpile has grown faster than our capacity to protect the homeland from attack. According to NSC 141, our civil defense is now only about ten to fifteen percent effective, and the Soviet Union will possess in the period 1954–1955 a capability to make an air attack on the United States of "critical proportions".

There appear to be four principal reasons for the huge gap between realization of danger and preparation to meet it: (1) there was earlier Soviet development of atomic weapons than had been anticipated, and an under-estimation of general Soviet technological capacity; (2) the realization of danger in the United States has not been intense enough or widespread enough in the Executive branch, in the Congress, or among the people to bring about appropriate action; (3) there has been a general belief that by building a powerful offensive capability we could deter a Soviet attack on the United States; (4) there is apprehension that we might devote more resources to home defense than merited by the security which such a system is capable of providing, and thereby unduly penalize both the deterrent value and the direct defense value of offensive striking power.

The urgency of continental defense in National policy, foreign and domestic, is underlined by the realization that the survival of our Republic and the entire free world depends on the protection of continental United States which provides the mobilization base, the arsenal, the industrial potential and the human resources required to save us all from disaster.

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[6] For text, see p. 305.

To deal with this problem we should implement the policy proposed to the National Security Council for candor on the atomic arms race. There should also be held a briefing of Congressional leaders on this particular subject. In line with the policy of candor, the Congress and the people should be thoroughly informed on a continuing basis of the danger to the United States from atomic attack. Concurrently, there should be public disclosure of programs adopted by the NSC for meeting the danger.

As stated above, NSC 149/2 wisely provides that we should increase our emphasis on continental defense. The problem is how to do this under the budgetary limitations laid down in NSC 149/2, limitations which include among other points a reduction in manpower and resources for the air force.

The Joint Chiefs of Staff have argued convincingly that some modification may be required in other policies to make available the minimum forces for the "primary task" of continental defense. We cannot have even this minimum of security under contemplated budgetary limitations and allocations. To obtain the minimum we would have to raise the limitation or make cuts in other major national security allocations.

The funds required now to accelerate the building of a more adequate continental defense are not impossibly great. The aim should be to begin a sustained effort in an endeavor soon to reach a point at which we can measurably reduce the risk to the civil population of wholesale slaughter and to our mobilization base of virtually complete destruction. Absolute and total protection is probably impossible. An ideal program would not give absolute protection and would be extremely expensive.

Of all aspects of continental defense, early warning of the approach of hostile craft is unique in that it is essential both to military and civil defense. For the military, it is necessary if our interceptors are to get into the air, ground defenses to be alerted, and SAC bases and planes preserved from destruction. In civil defense, it is necessary to enable civilians to take shelter or to be removed from danger areas. Moderate additional funds would make possible the improvement of the present early warning system and greatly increase the probability of detection, identification, and tracking of enemy planes. Distant early warning would cost considerably more. This subject should receive urgent consideration, taking into account the information to be developed by the Joint America-Canadian study group. Distant early warning will become increasingly important in the near future with the increase in speed of airplanes and the development of longer range guided missiles.

It is estimated that our present air defense system could destroy between one and twenty percent of the attackers depending upon the tactics and strength of the enemy force. To increase the rate of kills, substantial additional resources are required for interceptors and guided missiles. And, aside from an increased rate of kills, improved air defenses could be expected to adversely affect the accuracy of enemy bombing, thereby further reducing the damage to targets. With greater air defense capabilities, we could exploit more fully the technical capabilities of the warning and control equipment which is in being and programed. Future technical improvements may possibly increase the rate of kills, but it must be recognized that because of the expected increase in enemy weapons and planes over a period of time, the number of his planes over target would still be large and might increase faster than the rate of kills. In fact, although with heavy expenditures in the future we can increase the rate of kills, we cannot now lay down a program that would give complete protection. What we can do by improving our air defenses is to push further into the future the time when the enemy's capability for delivery could be critical for us.

In dealing with the problem of continental defense it is important to recognize the inter-relationship of military defense, offensive striking power, and the civil defense program. These three elements are complementary and mutually supporting. A balanced program will, therefore, include civil defense and other non-military measures. In civil defense, shelters are of paramount importance for the protection of the civilian population. A program that might reach a billion a year for a few years to provide shelter for those persons who cannot be protected otherwise could in conjunction with other programs reduce expected casualties as much as 75%. Another indispensable non-military measure is the reduction of urban vulnerability through spacing and protective construction of industrial plants and other buildings. This is a long-range program and with Government encouragement can be financed largely by industry. Other essential non-military measures are programs for continuity of Government and for post attack rehabilitation, neither of which calls for an extensive outlay of funds. Programs on these subjects have been developed by the NSRB and later by ODM.

Recommendation

That an *ad hoc* committee of the NSC be established immediately, composed of representatives of State, Defense, JCS, ODM, and FCDA, to review existing programs and develop for NSC consideration a balanced continental defense program with specific cost estimates for its implementation.

Editorial Note

On May 8, the *Ad Hoc* Committee on Armaments and American Policy of the National Security Council submitted its preliminary Report on Armaments and American Policy, designated NSC 151. For NSC 151 and related documentation, see pages 845 ff.

S/S-NSC files, lot 66 D 148, "Solarium"

Memorandum for the Record by the Special Assistant to the President for National Security Affairs (Cutler) [1]

TOP SECRET [WASHINGTON,] 9 May 1953.

Subject: Solarium Project

1. Upon the President's direction and as a matter of urgency, the alternatives outlined in the attachment will be explored and presented to the National Security Council. The undertaking may be referred to as "Solarium".

2. A working committee of The National Security Council, consisting of W. B. Smith, A. W. Dulles, and R. Cutler, will arrange the detailed plans for:

a. A Panel of about 5 qualified persons to draft precise and detailed terms of reference for each Alternative. Attached is a list of proposed names for such Panel. The Panel should meet for a week or so before May 31st, utilizing the Council offices and Staff. T. M. Koons, of the NSC Special Staff, is available to serve as Executive Secretary for this Panel and for the Teams set up under b.

The terms of reference should include directions to seek out all the factors that would go into planning a major campaign: forces needed; costs in manpower, dollars, casualties, world relations; intelligence estimates; time-tables; tactics in every other part of the world while actions were being taken in a specific area; relations with the UN and our Allies; disposition of an area after gaining a victory therein; influencing world opinion; Congressional action required; etc.

b. A separate Task Force of 3–5 qualified persons for each Alternative to be explored and presented. The preparation should be as for a War College project, and might be done at the War College, utilizing also its top personnel and facilities. The National Security Council would furnish whatever authority was necessary for urgent access to any and all material.

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[1] This memorandum is accompanied by a covering memorandum dated May 11, from Cutler to Acting Secretary of State Walter Bedell Smith, which reads: "I discussed the attached paper at length with the President today and he approved the same for prompt action. Changes made by him in the personnel suggestions (page 3) are included in this draft. I will telephone you later in the day relative to further action by our 'working committee.' "

Each Task Force would work up its Alternative in the same spirit that an advocate works up a case for court presentation. In presenting an Alternative to the National Security Council, visual presentation (maps, charts, oral discourse) would be maximized. If possible, the Alternatives would be presented on the same or successive days in the White House. Target date for presentation should be as near July 1 as possible.

3. At the NSC Meeting on May 13, 1953, the President should describe "Solarium" in general terms, and enjoin strict confidence. The Council should realize what is under way for their future guidance.

ROBERT CUTLER

[Attachment]

Paper Prepared by the Special Assistant to the President for National Security Affairs (Cutler)

Suggestions for Panel Membership

Mr. Robert A. Lovett, Chairman
Admiral Leslie C. Stevens
Mr. Robert Amory, Jr.
Mr. Karl R. Bendetsen
Mr. Robert R. Bowie
Lieutenant General Thomas D. White
Professor Max Millikan

Alternates (also possibilities for Teams)

Mr. Paul H. Nitze
Mr. William Draper
Mr. S. Douglas Cornell
Mr. J. R. Dean [2]
General John E. Hull
Lt. General Charles P. Cabell
Colonel George Lincoln
Colonel Charles H. Bonesteel III
Mr. T. J. Lanphier, Jr.
Admiral Richard L. Conolly
Professor Raymond Sontag
Major General James McCormack

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[2] A handwritten notation on the source text reads: "? Gen. John R. Deane, Rtd".

Colonel Paul Carroll
Mr. Douglas MacArthur II

ALTERNATIVE A

To continue the general policy, towards the USSR and its bloc, which has been in effect since 1948; as modified by the determination expressed in NSC 149/2 (April 29/53)[3] to bring the Federal budget into balance as rapidly as is consistent with continuing our leadership in the free world and barring basic change in the world situation.

This policy contemplates that, consonant with this fiscal determination, the United States will:

(a) maintain over a sustained period armed forces to provide for the security of the United States and to assist in the defense of vital areas of the free world;
(b) continue to assist in building up the strength of the free world;
(c) oppose expansion by the Soviets and Communist China and deter the power of the Soviets and Communist China from aggressive war;
(d) continue to exploit the vulnerabilities of the Soviets and their satellites;
(e) generally avoid risking a general war;—

all with a view to the ultimate retraction and reduction of the Soviet system to a point which no longer constitutes a threat to the security of the United States.

Subject to modification by Part I of NSC 149/2, this policy is the same policy stated in NSC 20/4, and affirmed in NSC 68/2 and NSC 135/3.[4] It is defensive; it seeks to contain Soviet power by building positions of indigenous strength throughout the free world; it trusts by such show of strength to deter Soviet power from aggression until the Soviets shall decay from internal weaknesses inherent in despotic government; it relies that time is on the side of the free world—that if we can "last out" the Soviets will deteriorate and fail.

(The Council has directed the Planning Board to restate and reconcile in one paper NSC 20/4, 68/2, 135/3, and 149/2. This work is under way.)

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[3] For text, see p. 305.

[4] For text of NSC 20/4, "U.S. Objectives With Respect to the USSR To Counter Soviet Threats to U.S. Security," Nov. 23, 1948, see *Foreign Relations*, 1948, vol. I, Part 2, p. 662; NSC 68/2, "U.S. Objectives and Programs for National Security," Sept. 30, 1950, see *ibid.*, 1950, vol. I, p. 400; NSC 135/3, "Reappraisal of U.S. Objectives and Strategy for National Security," Sept. 25, 1952, see p. 142.

ALTERNATIVE B

To determine the areas of the world which the United States will not permit to become Communist, whether by overt or covert aggression, by subversion of indigenous peoples, or otherwise.

To make clear in an appropriate way that the United States has "drawn a line" about such areas and that we would consider the fall to Communism of any country on our side of such line as grounds for the United States to take measures of our own choosing, including offensive war.

This alternative might be worked out on a grand scale or on a lesser scale. In the first case, the fall of a country on our side of the line to Communism would be a *casus belli* against the USSR. In the second case, the line might be drawn in a region, such as Asia; and the fall of a country on our side of the line to Communism would involve war against Communist China (but not necessarily global war).

ALTERNATIVE C

To take actions, against the background of Alternative A or Alternative B, which would seek to restore the prestige of the West by winning in one or more areas a success or successes.

The objective of such positive alternative is to produce a climate of victory, disturbing to the Soviets and their satellites and encouraging to the free world. . . .

. . . .

Editorial Note

On May 12, President Eisenhower appointed an entirely new group of generals and admirals to fill the positions of Joint Chiefs of Staff. General Matthew B. Ridgway replaced General J. Lawton Collins as Chief of Staff of the Army, Admiral Robert B. Carney was appointed Chief of Naval Operations to replace Admiral William M. Fechteler, Admiral Arthur W. Radford was appointed Chairman of the Joint Chiefs of Staff in place of General Omar N. Bradley, and General Nathan F. Twining was appointed to succeed General Hoyt S. Vandenberg as Chief of Staff of the Air Force. The appointments of Admirals Radford and Carney and of General Ridgway were to become effective on August 15, that of General Twining on June 30.

At his news conference on May 14, President Eisenhower was asked if he expected the "new Joint Chiefs of Staff to come up with different strategical concepts and different estimates of the power we should have?" In the course of a lengthy reply, the President stated:

> "There is in all of these things a need for achieving the balance between nationalistic aspirations, the union that must be established between countries in order that their economies and standards of living may go up.
>
> "Finally, the basic problem of how do you preserve an independent life at the same time that some of the measures that you are forced to adopt would tend to lead you toward a garrison state? We don't want to become a garrison state. We want to remain free. Our plans, our programs, therefore, must conform to the practices of a free people, which means essentially a free economy. That is the problem that, frankly, this administration meets on, discusses, works on, every day of its life. There is no easy problem."

Public correspondence relating to the appointments of General Ridgway and Admiral Carney to the Joint Chiefs of Staff is printed in *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1953*, pages 278–283. For the transcript of the President's news conference on May 14, 1953, see *ibid.*, pages 283–296.

S/S-NSC files, lot 66 D 148, "Solarium"

Memorandum for the Record by the Special Assistant to the President for National Security Affairs (Cutler) [1]

PERSONAL AND CONFIDENTIAL [WASHINGTON,] 15 May 1953.

Subject: Solarium Project

1. This memorandum is an initial report by the Working Committee of the National Security Council appointed to arrange the detailed plans for carrying out the above project (The Acting Secretary of State, General W. B. Smith; the Director for Central Intelligence, Allen W. Dulles; and the Special Assistant to the President for National Security Affairs, Robert Cutler.)

2. In accordance with the President's instructions, as reported to the Council on 15 May 1953, [2] the following have been requested to act as the Panel to draft precise and detailed terms of reference for each alternative (see par 2a, Solarium Project Memo of 9 May 1953 [3]), and have accepted the assignment:

General James H. Doolittle, *Chairman*
Robert Amory, Jr.
Lt. General L. L. Lemnitzer
Dean Rusk
Admiral Leslie C. Stevens

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[1] Copy to Walter Bedell Smith.

[2] The Presidential instructions under reference cannot be further identified.

[3] For text, see p. 323.

3. The Panel will convene in Room 376, Executive Offices Building, Washington, D.C. on Monday, 25 May 1953, at 9:30 A. M. o'clock. The members of the Working Committee will discuss the problem with the Panel at 10:30 A. M. o'clock.

4. It is anticipated that the Panel will carry on their work continuously until completion, which it is anticipated should be not later than 1 June 1953. Office space, secretarial assistance, required source materials, etc., will be provided in the National Security Council Area. Mr. T. M. Koons, NSC Special Staff Member (Executive 3-7491, Extension 3675), will act as Executive Secretary for Solarium Project.

5. No publicity of any kind should be given to, or mention made of, the project. It is essential to success that the most complete discretion be observed. For that reason, no further communication will be sent from this office. If communication regarding the above arrangements is necessary, please telephone to the undersigned or Mr. Koons (referring only to Solarium).

ROBERT CUTLER

PPS files, lot 64 D 563, "Natl Sec (civil defense)"

Report to the National Security Council by the Special Evaluation Subcommittee of the National Security Council [1]

TOP SECRET
NSC 140/1

WASHINGTON, May 18, 1953.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON SUMMARY EVALUATION OF THE NET CAPABILITY OF THE USSR TO INFLICT DIRECT INJURY ON THE UNITED STATES UP TO JULY 1, 1955

References:
- A. NSC 140 [2]
- B. NSC Action Nos. 687 and 699 [3]

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[1] A notation on the source text reads: "Edwards Report" and indicates an additional classification: "Special Security Handling". Copies were sent to the Secretary of the Treasury; the Attorney General; the Directors of Defense Mobilization and Central Intelligence; the Chairmen of the Atomic Energy Commission, the Joint Chiefs of Staff, the Interdepartmental Intelligence Conference, and the Interdepartmental Committee on Internal Security; and the Federal Civil Defense Administrator.

[2] Dated Jan. 19, p. 205.

[3] Regarding NSC Action Nos. 687 and 699, see footnote 2, p. 206.

The enclosed memorandum from the Chairman of the Special Evaluation Subcommittee of the National Security Council and its attached report on the subject prepared by the Subcommittee pursuant to the directive contained in NSC 140 are transmitted herewith for the information of the National Security Council. The enclosures will be scheduled on the agenda of an early Council meeting.

The principal supporting documents referred to in the first page of the enclosed memorandum are available in this office for study by authorized personnel.

The enclosed report is being referred to the agencies represented on the Subcommittee for comment prior to Council action.

It is requested that special security precautions be observed in the handling of this report and that access to each copy be strictly limited and individually controlled on an absolute need-to-know basis. No additional copies of this report or of any part of it may be made. This report is subject to recall at the direction of the President.

JAMES S. LAY, JR.

[Enclosure]

Memorandum by the Chairman of the Special Evaluation Subcommittee of the National Security Council (Edwards) to the Executive Secretary of the National Security Council (Lay)

TOP SECRET WASHINGTON, May 15, 1953.

Subject: Summary Evaluation of the Net Capability of the USSR to Inflict Direct Injury on the United States Up to July 1, 1955—Report of Special Evaluation Subcommittee

Enclosure

(1): Report of Special Evaluation Subcommittee

(2): Principal Supporting Documents to the Report [4]

1. A National Security Council directive (NSC 140), dated January 19, 1953, constituted a Special Evaluation Subcommittee of the Council to prepare a summary evaluation of the net capability of the USSR to inflict direct injury on the United States during the period up to July 1, 1955. The directive and a membership list of the Subcommittee and of the agencies represented thereon are appended. [5] Enclosure (1) is the report of the Subcommittee.

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[4] Not printed; see footnote [*] below.

[5] For NSC 140, see p. 205. The membership list of the subcommittee and of the agencies represented thereon is not printed. The members of the subcommittee and their agencies were: Lt. Gen. Idwal H. Edwards, USAF (Ret.), Chairman; Lt. Gen.

Continued

2. As primary sources of information, the Subcommittee obtained reports from each of the agencies represented by its members. Independently of these reports, the Subcommittee also pursued an intensive study of all aspects of the problem. This study involved consultation with, and oral and written reports from, appropriate military and non-military agencies, and reference to many documents and previous studies relating to the subject. The Subcommittee conferred with the commanders and staffs of the Air Defense Command and the Strategic Air Command, with the Joint Air Defense Board, and with responsible officials of the Office of Defense Mobilization and the Federal Civil Defense Administration.

3. Under the terms of reference as construed by the Subcommittee, the enclosed evaluation is restricted to but one aspect of the global problem, viz., Soviet net capabilities against the continental United States and selected U.S. installations and forces outside the United States of major importance to a U.S. air atomic counteroffensive against the USSR during the initial phases of war. This evaluation does not represent a Subcommittee judgment that the USSR will or will not initiate war with the United States during the period under consideration, or that if it does, it would initiate such a war with atomic attack on the continental United States. It does, however, present, as the basis of its evaluation, a feasible course of action and plan of attack within the estimated capabilities of the USSR, which the Subcommittee believes the Soviet might logically pursue if his primary objectives were to inflict maximum damage on the continental United States and at the same time diminish the weight of the retaliatory air attack which the United States could mount against the USSR.

4. In approaching the problem of assessing damage, the Subcommittee initially planned to analyze, with exactness, the extent of damage accruing from a given number of weapons on precise targets and target systems. However, accurate assessment of damage resulting from attacks against target systems, such as critical industries, industrial complexes and population centers, can be accomplished only by the preparation of studies of the vulnerability of the targets and target systems which take into consideration the many variables affecting the attacks. Fully adequate basic target vulnerability studies were not in existence and could not be produced in the time available. Likewise, a complete war-gaming procedure under varying conditions of attack would have been of great value, but this also was not possible in the relatively short period

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Harold R. Bull, USA (Ret.), representing the Central Intelligence Agency; W. Barrett McDonnell, representing the Interdepartmental Committee on Internal Security; Maj. Gen. Robert M. Webster, representing the Joint Chiefs of Staff; and Lish Whiston, representing the Interdepartmental Intelligence Conference.

available. Consequently, the estimates of damage submitted are approximations, valid under one set of conditions, with the war-gaming process introduced only to a limited extent in certain phases of the operation as reflected in the attrition rates applied to the attacking force.

5. The principal supporting documents and studies utilized by the Subcommittee and its schedule of briefings are forwarded herewith as Enclosure (2).*

6. The Chairman, Interdepartmental Intelligence Conference, has requested the Subcommittee to bring to the attention of the National Security Council, the following views of the IIC with respect to its report to the Subcommittee, a copy of which is contained in Enclosure (2):

> "This estimate was prepared within the terms of reference determined by the Special Evaluation Subcommittee. The members of the IIC wish to point out that the forces within the United States available to the USSR have the capability of engaging in widespread sabotage either prior to, concurrent with, or subsequent to a military attack. The USSR, of course, must weigh the timing and value of the sabotage in relation to their complete plan of attack and its effect upon the capability of the United States to launch a retaliatory military attack."

7. This report has not been referred to the agencies represented on the Subcommittee for review or comment.

8. The Joint Chiefs of Staff representative on the Subcommittee, who participated throughout in the preparation of the report, neither concurs nor non-concurs in the summary evaluation. His comments are attached as Appendix C. [6]

I. H. Edwards
Lt. Gen., USAF (Ret.)

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* Not attached hereto. Available for study in the office of the Executive Secretary. [Footnote in the source text.]

[6] Not printed; Maj. Gen. Robert M. Webster, USAF, the Joint Chiefs of Staff representative, complained in the comments under reference that the Special Evaluation Subcommittee report was prepared "on an entirely different concept of the problem" than was contained in the directive to NSC 140.

[Attachment]

Report of the Special Evaluation Subcommittee of the National Security Council [7]

TOP SECRET [WASHINGTON, undated.]

THE SUMMARY EVALUATION

THE PROBLEM

1. To prepare a summary evaluation of the net capability of the USSR to inflict direct injury on the United States for the period up to July 1, 1955.

SCOPE OF THE EVALUATION

2. The evaluation considers Soviet net capabilities against the continental United States, including Alaska, and selected U.S. installations and forces outside the continental United States of major importance to a U.S. air atomic counter-offensive against the USSR during the initial phases of war. With this delineation of the scope of the evaluation, the Subcommittee's consideration is thus confined to only one aspect of the world-wide problem. Accordingly, the effects on the United States which might occur if the USSR adopted different military objectives are not measured. The evaluation covers all possible types of attack, including direct military, clandestine military, and sabotage, physical and non-physical. The evaluation deals with the initial phases of war, during which it is assumed that a major part of the Soviet atomic stockpile would be expended. The Subcommittee has made two other important assumptions which are considered of reasonable validity: (1) that the USSR would be able to launch large-scale air attacks from Soviet bases without warning, and (2) that the continental United States would receive no warning of an approaching air attack other than that provided by the North American continental radar detection system.

CONCLUSIONS

3. If, during the period from mid-1953 to mid-1955, the USSR chose to attack the United States with a view of inflicting maximum direct injury on the continental United States, and on selected U.S. installations outside the United States of major importance to a U.S. air atomic counteroffensive during the initial phases of

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[7] A short table of contents has been omitted from the beginning of the report.

war, the course of action within its capabilities which we believe would most nearly accomplish the desired result is:

a. An attack on bomber bases in the continental United States and on selected forward and staging air bases and air forces outside the United States, combined with

b. The heaviest possible attack with its remaining resources upon major population, industrial and control complexes in the continental United States.

4. If the USSR selected this course of action, it would have the net capability of inflicting direct injury on the United States of the following order:

a. *Damage to U.S. Air Counteroffensive Capability*

(1) Destruction or major damage to U.S. bombers having an atomic delivery capability, amounting to about 24 percent in 1953, and about 30 percent in 1955.

(2) Such additional damage to U.S. air bases and forces as to reduce the optimum monthly sortie rate by about 50 percent, and to force the Strategic Air Command primarily into intercontinental operations, at least initially.

b. *Personnel Casualties in Metropolitan Areas*

(1) Optimum bomb placement on population targets could produce a maximum of 9 million casualties in 1953, and 12.5 million in 1955, one-half of which might result in deaths. We believe that actual casualties would be at an indeterminate lower level, possibly as low as 50 percent of the above figures.

c. *Damage to Industry*

(1) Initial paralysis of all industry, including war-supporting industry, located within the areas attacked. This paralysis would affect one-third of the total U.S. industrial production in 1953 and two-thirds in 1955. Direct damage as the result of random destruction of plants probably would be substantial, but would not destroy a sufficient portion of any industry or industries to prevent attainment of minimum essential levels of production of war material and civilian goods.

d. *Damage due to Clandestine Attack and Sabotage*

(1) Clandestinely-employed atomic weapons, accurately placed, would result in total destruction of the installations attacked. Any atomic weapons diverted to clandestine attack would have to be subtracted from the total number available for air attack. Therefore, in assessing over-all damage to the United States, we have considered the effect of clandestinely-placed atomic weapons to be broadly equivalent to the effect of the same number of air-dropped weapons.

(2) An undeterminable augmentation of the total damage caused by atomic weapons would result from other types of clandestine attack and sabotage.

e. *Psychological Effect*

(1) The potentially most serious consequence would be the psychological impact of a large-scale atomic attack. There would be morale and political problems of a magnitude which it is impossible to estimate, or even comprehend, on the basis of any presently

available valid data. The capability of the United States to bring the considerable remaining manpower and economic potential into the prosecution of the war, would depend upon the adequacy of advance planning, and upon the resolution and resourcefulness with which government and leadership dealt with the problems of waging the war, including neutralization of the USSR atomic capability, and of providing for the physical and psychological needs of our people as a whole.

f. *Over-all Damage to the U.S.*

(1) We believe that over-all damage to the U.S. would not be such as to prevent the delivery of a powerful initial retaliatory atomic air attack, the continuation of the air offensive, and the successful prosecution of the war.

5. If, during the period from mid-1953 to mid-1955, the USSR chose to attack any other U.S. target system or combination of targets than that indicated above, we estimate that a lower level of direct injury to the United States would result.

6. Any failure by the USSR to gain the strategic surprise or any substantial increase in the tactical warning received by the United States upon which this evaluation is based, would greatly reduce the damage indicated and would jeopardize the success of the entire operation by alerting the defensive system and counteroffensive forces of the entire Western World.

DISCUSSION

I. SOVIET CAPABILITIES

1. On the basis of the latest agreed intelligence estimates, we have made the following evaluations of Soviet capabilities:

A. Mass Destruction Weapons

2. *Atomic Weapons:* The USSR's stockpile of atomic weapons is estimated to consist of approximately the following numbers of weapons of about 80 KT power:

Mid-1953	120
Mid-1955	300

The USSR probably can make weapons of smaller or larger yield than those indicated above and in so doing would increase or reduce the number of weapons in stockpile. We believe that the USSR will not have a deliverable thermonuclear weapon or significant quantities of radiological warfare agents during the period under review.

3. *Biological Weapons:* The USSR will probably possess a capability to produce and disseminate virulent biological agents on a limited scale.

4. *Chemical Weapons:* The USSR will probably possess the capability to engage in large-scale chemical warfare using World War

II-type standard chemical agents. By mid-1955, the USSR will probably possess limited stocks of nerve gas.

B. Capability to Deliver By Aircraft

5. *Strength of Long-Range Aviation:* In mid-1953, the USSR will probably possess about 1000 medium bombers of the TU–4 type (comparable to the US B–29). By mid-1955, this number may be increased to about 1100. Also, by mid-1955, the USSR may have as many as 180 heavy bombers with a range about twice that of the TU–4. While the TU–4 might be considered an obsolescent aircraft as compared with modern bomber aircraft now operational in the U.S. Air Force, it does have comparative range, load-carrying capacity, and reliability. It also has considerable capability for operations during darkness and under conditions of poor visibility.

6. *Ability to Stage against the United States:* By utilizing range-extension techniques known to the USSR, the stripped-down TU–4 bomber can reach any target in the United States on a one-way mission. The heavy bomber which may be available in mid-1955 presumably would be able to make a roundtrip attack against any U.S. target by the use of range-extension techniques. Bases for launching large numbers of bombers on one-way missions against the United States are available or could be developed within the period of this estimate.

7. *Operational Capabilities:* Soviet long-range aviation is handicapped by lack of combat experience and lack of experience in long-distance flying and navigation. Its capabilities for navigation, target identification, and bomb placement, especially under conditions of poor visibility, will be inferior to those of the U.S. Strategic Air Force. Because of these limitations and because of the normal difficulties which would be encountered in carrying out a large-scale bombing operation against the continental United States, we estimate that about 20 per cent of the bombers initially launched would abort and return to base before completing their missions. In such an operation, we estimate that 10 per cent of the bombers which do not abort would be operational losses, i.e., they would fail to complete their missions for reasons other than combat. In attacks upon U.S. overseas installations, we believe these operational losses will be about 5 per cent. We also estimate that about 10 per cent of the bomb drops by such aircraft as reach the target area will be ineffective as a result of gross error and duds.

8. *Medium and Light Jet Bomber Strength and Capabilities:* The USSR will possess substantial numbers of light jet bombers capable of attacking many U.S. installations in Europe and the Far East. By mid-1955, the USSR may have about 120 medium jet bombers capable of attacking most U.S. installations overseas.

C. Capabilities of Naval and Ground Forces

9. *Naval:* During the period under review, V–1 and V–2 type guided missiles could be developed for launching from Soviet vessels and presumably could be fitted with atomic warheads. By submarine operations, aerial torpedo attacks, and offensive mining, the USSR could inflict serious initial damage to U.S. overseas communications. Other Soviet naval offensive capabilities are not significant.

[Here follows a one-page "Table of Attrition Factors."]

10. *Ground:* The USSR has formidable capabilities for undertaking large-scale ground operations on the Eurasian continent.

11. *Amphibious:* Soviet capabilities for amphibious attack against the continental United States and against U.S. installations overseas will be negligible, except against Alaska. Against Alaska, the USSR might be able to launch an amphibious assault with up to 6000–8000 troops.

12. *Airborne:* Soviet capabilities for airborne attack against the continental United States (except Alaska) will be extremely limited. The USSR could, if it chose, drop a small number of specially-trained assault and sabotage forces for attack upon important, but difficult, bombing targets. Against Alaska or against selected U.S. installations overseas the USSR might be able to launch an attack with up to a total of 4000 to 6000 troops.

D. Air Defense Capabilities

13. The Soviet rulers have demonstrated their sensitivity to the danger of U.S. air attack with weapons of mass destruction by the high priority which they have given to the development of defenses against such attack. Despite progress in building up those defenses, it is unlikely that they would regard their defensive capability as adequate to prevent substantial numbers of attacking aircraft from reaching strategic targets in the USSR.

E. Sabotage Capabilities

14. The USSR's capability for sabotage and subversion rests upon (a) the capabilities and freedom of action of the U.S. Communist Party and of other resident Soviet sympathizers, and (b) the USSR's capability to introduce agents and materials and to procure necessary materials within the United States.

15. The U.S. Communist Party consists of about 25,000 persons. The majority reside in the metropolitan industrial areas of the Atlantic and Pacific coasts and in the Great Lakes-Middle West industrial region. The number best equipped by training or employment to commit sabotage is about 6,500. Key industrial facilities employ about 1,500 of this number. Except for atomic weapons and

certain other weapons of mass destruction, resident Communists or other saboteurs within the United States could procure locally whatever weapons of sabotage they might require. The gross capabilities of U.S. Communists may be limited to some extent by (a) penetration of Communist organizations by U.S. security agencies, (b) the fact that many would be placed under detention as soon as possible after the outbreak of hostilities, and (c) casualties among those potential saboteurs residing in metropolitan areas subjected to the Soviet air atomic attack.

16. Saboteurs and weapons, including atomic weapons and their components could be introduced from the outside by a variety of means. This capability is limited only by the degree of risk of detection which the USSR is willing to assume prior to an overt attack and by such intensified security measures as the United States would impose after an attack.

17. Through control of certain U.S. labor organizations, the Communists have the capability to impede war production by strikes and slowdowns. They also could, by propaganda and provocation, increase the magnitude of civil dislocation and panic during and immediately following a Soviet air atomic attack.

F. Limiting Effect of Need to Preserve Security

18. Surprise is the strongest weapon in the Soviet arsenal. Because of this, the USSR would not be able to engage in preparations to carry out certain naval, ground, amphibious, airborne, clandestine, and even air operations which might disclose a positive intent to deliver an attack upon the United States. A single instance of detection might alert the entire defense system of the Western World and the U.S. air atomic counteroffensive forces.

II. U.S. CAPABILITIES

A. Air Defense

19. As of mid-1953 the continental air defense system, consisting of a warning and detection radar screen, supplemented by a partially manned ground observer corps, fighter interceptor squadrons, and local AAA defenses, will have the capability:

a. To provide a minimum warning of approximately 30 minutes for those perimeter targets provided with radar cover, and

b. To "kill," before bomb-release line, about 7 percent of the attacking bomber force penetrating the defenses under most probable conditions of attack.

20. As of mid-1953, the principal deficiencies of the system will be:

a. Lack of radar coverage on the South Atlantic and southern approaches,

b. Gaps in the existing radar screen,
c. Almost negligible capability of the radar system to detect low flying aircraft (under 5,000 feet),
d. Inadequate fighter forces with an all-weather capability,
e. Inadequate AAA defenses with a very high and very low altitude kill potential,
f. Lack of a quick and positive identification system, especially for the peace-time control of civil aircraft.

21. As of mid-1953, the overseas defenses will in general be less effective than those of the continental United States with respect to warning and defensive fighter and AAA forces and weapons.

22. As of mid-1955, the continental air defenses will have materially increased in effectiveness. The U.S. radar warning net will have been augmented, and coverage extended into southern Canada and the North East Command area. Airborne early warning aircraft and possibly a few picket vessels will provide limited coverage over the seaward and northern approaches. A proposed early warning zone in Canada generally along the 54th parallel may possibly be in operation; however, considering the present status of this project and of the proposed Lincoln line, neither was considered in this evaluation. The fighter-interceptor force will be entirely equipped with all-weather aircraft with improved armament. The AAA defenses will be greatly improved with the deployment of Nike surface-to-air missile battalions. The system will have the capability:

a. To provide additional coverage, with greater assurance of a minimum of 30 minutes warning, and
b. To "kill," before bomb-release line, about 27 percent of the attacking force penetrating the defenses under the most probable conditions of attack.

23. The principal deficiencies of the system in mid-1955 will be:

a. A low capability of the radar system to detect low flying aircraft,
b. Lack of fighter-interceptor and AAA defense in many potential target areas,
c. An inadequate number of Nike surface-to-air missile battalions,
d. Continued lack of quick and positive identification system, especially for the peace-time control of civil aircraft.

24. The overseas defenses in mid-1955 will continue to be less effective than those of the continental United States.

B. Air Offense

25. During the entire period under review, the U.S. Strategic Air Command supplemented, within their ranges, by atomic aircraft of the naval carrier forces and the overseas tactical air forces will be

able to launch very heavy atomic strikes against targets in the USSR with acceptable loss rates and with acceptable bombing accuracy under all-weather conditions. However, so long as the USSR possesses the military initiative, and in view of the time required for the U.S. to launch initial air strikes (3 to 6 days in the case of SAC), these offensive capabilities could not have any significant effect on the Soviet ability to launch an initial surprise attack against the continental United States and U.S. forces and installations overseas.

C. Other Military Defensive Forces

26. Considering Soviet capabilities for airborne and amphibious operations, local U.S. forces, augmented as necessary by available reserves, can isolate, neutralize, and eventually defeat any assaults of this nature on the continental United States, Alaska, or vital overseas bases.

27. Considering Soviet capabilities for submarine operations and offensive mining, initial damage to shipping might be severe. With full implementation of anti-submarine warfare, however, U.S. counter-measures could reduce this initial damage to acceptable proportions.

D. Defense Against Sabotage

28. The military forces, industrial security and protective forces, and those federal, state and local agencies responsible for the security and protection of installations and facilities necessary to the national defense and the conduct of war, have been alerted to the possibility of sabotage. The degree of protection against conventional types of sabotage either existing or possible is not uniform for all such installations or facilities, nor can it be. Some facilities are vulnerable to conventional sabotage by reason of easy access by potential saboteurs, others by reason of employment within the facility of persons known to be dangerous potential saboteurs.

. . . .

30. In the event of war there have been readied for immediate implementation appropriate programs for apprehension and detention of persons who constitute a threat to the nation's internal security. If these programs are properly implemented, most of the individuals determined to be potentially or actually dangerous will be neutralized within a short period after Soviet attack. It can be expected, however, that some persons in these categories, including unknown sabotage agents introduced into the United States, may be successful in avoiding immediate arrest, with possible subversive acts resulting.

E. Civil Defense

31. The federal civil defense program, as of mid-1953, is well organized, planned, and partially implemented, but it is not fully manned on a round-the-clock basis. State and local programs throughout the country vary widely in the degree of organization, planning and implementation. Some of the accomplishments to date in many localities include organization and fixing of responsibility, the establishment of primary and alternate control centers with associated communications, education and training, and designation and marking of shelters, the stockpiling and "spotting" of medical supplies and other equipment, and the coordination of medical and fire-fighting personnel. Local accomplishments vary widely from a high state of readiness in certain critical areas to none at all in some other areas.

32. The over-all program, as of mid-1953, is capable of materially reducing deaths and casualties which might result from an atomic attack, the degree of reduction depending on the amount of warning received, and of providing protection to an undeterminable degree against mass hysteria and psychological shock. It has been estimated that in an atomic attack on metropolitan centers, an average of one hour's warning would reduce casualties by about 50 percent. Adequate early warning is the most important requirement to bring the civil defense program into full effectiveness.

33. Continuation of present over-all programs, with increased emphasis on education of the public in civil defense matters, will result in increased effectiveness by mid-1955.

III. VULNERABILITY OF THE UNITED STATES TO ATOMIC ATTACK

34. The target systems of the United States which the USSR would consider for attack are: (a) U.S. air offensive forces and supporting bases, (b) other U.S. forces and supporting installations, (c) the critical war-supporting industries of the United States and (d) the general economic strengths, population, and governmental control centers in the United States.

A. Vulnerability of U.S. Air Offensive Forces and Bases

35. In order to achieve critical damage on U.S. air offensive forces, attack must be accomplished under conditions of almost complete surprise, since a definite threat or notice of attack would permit the Strategic Air Command to disperse its forces. With a warning period of one hour or less, no significant dispersal could be accomplished. However, a two-hour warning period would permit SAC to disperse 65 percent of its atomic carriers; a six-hour warning would permit an 85 percent dispersal. Successful attack upon bases after dispersal would serve to neutralize those bases for ini-

tial operations only. The nuclear stockpile, under present conditions of storage, is virtually invulnerable to atomic destruction from the air.

36. The U.S. Strategic Air Command possesses a substantial amount of flexibility and mobility. There are a large number of airfields in the United States and abroad which are equipped, or could be equipped readily, to handle atomic carriers. SAC would retain the capability to carry out intercontinental operations even if its operating and staging bases outside the United States were rendered inoperable. Moreover, even if an initial attack upon SAC overseas forces and bases achieved a considerable degree of success, continued neutralization would require a Soviet capability to reattack those bases which might be re-occupied.

37. Although the radar detection system can provide only a half-hour warning, many SAC interior installations in the United States would receive up to four hours warning. Because of the probability of such extended warning, and considering the flexibility, mobility, recuperability and over-all aircraft strength of SAC, we believe that a Soviet attack could not reduce SAC's capability to a level that would inhibit heavy retaliatory attacks on the USSR. This capability could be reduced and delayed, however, by a limited attack upon bomber bases in the United States and upon selected overseas bases.

B. Vulnerability of Other U.S. Forces and Supporting Installations

38. Military installations within the U.S. which are not a part of the air offensive system constitute some of the least profitable targets in the United States for atomic attack. Although the air defense system is an unprofitable objective for air atomic attack, if the USSR anticipates unacceptable losses of atomic weapons as a consequence of the operations of the active defenses, a requirement for neutralization of certain elements of the air defense system by conventional weapons would be established. Radar control stations, which are undefended against low altitude attack, are vital elements of the system and are vulnerable to neutralization by such operations. There are no strictly military installations outside of metropolitan complexes which represent concentrations of personnel and material of such magnitude and importance as to represent profitable targets for atomic attack.

39. Among U.S. forces and installations outside the continental United States not a part of the U.S. air offensive capability, there are some targets worthy of atomic attack. Because these forces and installations would not be brought into action as part of an early U.S. air counteroffensive, we have not evaluated them as targets for atomic attack.

C. Vulnerability of Critical War-Supporting Industries

40. The U.S. has such a great economic potential that the USSR could not destroy it with the number of atomic weapons presently estimated as available to the USSR during the period of this evaluation. The USSR might, however, direct its attack against the most important or most critical sectors of the economy. Nevertheless, because of the substantial U.S. retaliatory capability in being, the impact of such attack on our overall offensive capability would be delayed. Attacks upon fabricating facilities for atomic weapons, air frames, aircraft engines, guided missiles, large-caliber guns and munitions, would be effective only after existing stocks were exhausted. Attacks upon basic materials production would be effective only over a much longer period, and their impact would be reduced as a result of current and planned stockpiling, substitution, recuperation, and expansion of remaining facilities.

41. Successful attacks upon critical industries require a high degree of operational proficiency by the attacking forces. The attacker must possess adequate data regarding the degree of criticality of individual industries and facilities, adequate targeting data to insure determination of optimum aiming points at each facility, and sufficient proficiency to locate the targets and to place the weapons within a minimum circle of error.

42. Even though general industry is concentrated around the two coasts and in the Great Lakes area, most critical war-supporting industry is well dispersed. The steel industry, for example, has some 143 plants, of which the 35 largest are located at various points from Chicago eastward to the coast. Petroleum refining capacity is distributed among 350 installations, the 100 largest of which hold 75 percent of the capacity and are scattered from Texas to Chicago and along the coasts. One of the most vulnerable is the tetraethyl lead industry consisting of three plants, one of which accounts for 50 percent of the total production.

43. Assuming adequate data and sufficient proficiency to insure successful placement, and taking account of estimated losses on route to target, the following are the estimated numbers of weapons which the USSR would be obliged to dispatch against only a small number of critical industries in order to achieve the levels of damage indicated:

	Percent of Damage	*Number of Weapons Dispatched*	
		1953	*1955*
Atomic Energy Production Capacity	90	17	41
Aircraft Engine Production	90	38	55
Petroleum Refinery Capacity	50	64	90
Steel Capacity	45	53	
	40		60
Tetraethyl Lead Production	90	6	9

44. The USSR does not possess a sufficient stockpile of weapons or the necessary operational capabilities to insure elimination of a remunerative proportion of critical industries. Even if the USSR succeeded in eliminating a substantial part of a few vulnerable industries, such destruction would not have a prolonged effect upon U.S. counteroffensive capabilities.

D. Vulnerability of General Economic Strengths, Population, and Governmental Control Complexes

45. There are 169 urban areas in the United States with a population of 50,000 or more. Of these urban areas, 54 are major metropolitan industrial areas or government control centers with a population of about 200,000 or more. These 54 complexes contain 71 percent of the country's war industry and 35 percent of the country's population. They also contain the nerve centers of economic and governmental control.

46. In mid-1953, if the USSR launched virtually its entire atomic weapons stockpile against those urban areas in the United States with the greatest population densities, and if it succeeded in attacking without warning and in achieving optimum placement, it has been estimated that casualties as high as 24,000,000 might be inflicted. In mid-1955, the same kind of attack under the same conditions with the larger stockpile might produce personnel casualties as high as 31,000,000. It is estimated that casualties would be reduced by approximately one-half with one hour warning. About one-half of the casualties would result in deaths. In such attacks, designed primarily to produce casualties, there would also be serious industrial damage, widespread dislocation of our highly integrated economic and social systems, loss of morale, panic, defeatism, etc., in amounts and to degrees which it is impossible to measure on the basis of any presently available valid data.

47. These population, industrial, and control centers are largely in the northeastern part of the United States, in the northern

Middle West, and in the coastal areas. They are, therefore, on the periphery of the defended area and are of such size in themselves as to offer targets which could most easily and successfully, of all areas in the United States, be brought under attack by the inexperienced Soviet long-range bomber force.

48. While the net effect of a successful attack cannot be estimated with acceptable accuracy, at a minimum, it would disrupt the governmental control system, it would strain the civil defense system far beyond its present capabilities, and it would necessitate a prolonged rehabilitation effort. The U.S. retaliatory force itself, however, would be relatively intact and would be able to carry out its prescribed mission. There would be no physical reason why it could not deliver heavy and devastating retaliatory blows against the USSR.

. . . .

IV. SOVIET CONCEPT OF OPERATIONS AND PLAN OF ATTACK

50. During this period, the USSR will not possess a sufficient number of atomic weapons and the net operational capabilities to prevent the U.S. from waging war effectively by attacking any one of the following with atomic weapons or by any other means:

a. The U.S. atomic counteroffensive capability,
b. The U.S. economic potential,
c. Critical U.S. war-supporting industry.

51. If, during this period, the USSR chose to attack the United States with a view to inflicting maximum direct injury on the continental United States and on selected U.S. installations outside the United States of major importance to a U.S. air counteroffensive during the initial phases of war, the course of action within its capabilities which we believe would most nearly accomplish the desired result is:

a. Attack on bomber bases in the continental United States and upon selected forward and staging air bases and air forces outside the United States combined with

b. The heaviest possible attack with its remaining resources upon major population, industrial and control complexes in the continental United States.

52. In implementing this concept of operations, the following allocation of the estimated Soviet atomic weapons stockpile might be made:

a. *In mid-1953:*

(1) Against the U.S. atomic air offensive capability world-wide, 46.

(2) Against 31 major population, industrial and control complexes in the continental United States, 62.

(3) As a general reserve for all other purposes outside the scope of this evaluation, 12.

b. *In mid-1955:*

(1) Against the U.S. atomic air offensive capability world-wide, 89.

(2) Against 50 major population, industrial and control complexes in the continental United States, including thermonuclear weapon production facilities, 151.

(3) As a general reserve for all other purposes outside the scope of this evaluation, 60.

A. Air Attack, Mid-1953

53. In order to take advantage of the known deficiencies in the U.S. defense system, the most feasible and effective air attack upon the continental United States could be made at night with the attacking aircraft penetrating the U.S. radar detection network at low altitudes. Attacks upon U.S. forward and staging bases outside the United States would need to be timed to follow attacks upon the continental United States in order to preserve surprise. Attacks upon the continental United States would necessarily be one-way missions with aerial refueling en route in secure areas. Most flights would be launched from the Chukotski and Kola peninsulas and would employ routes designed to give maximum security from early detection by ground observers or ships and planes following normal travel lanes. An operational and attack plan believed to have reasonable chance of success would contain the following elements:

a. The 62 atomic weapons allocated to major U.S. population, industrial and control complexes would be launched in 62 TU-4 aircraft against 31 such complexes with take-off times coordinated in an attempt to obtain simultaneous penetration of the outer radar detection network,

b. Twelve of the atomic weapons allocated to the U.S. air atomic offensive capability would be launched in 12 TU-4 aircraft against heavy bomber bases in the United States. Take-off times would be established in an attempt to bring these aircraft to bomb-release line insofar as possible simultaneously with the penetration of the radar detection network by the 62 aircraft targeted against the U.S. metropolitan complexes. These 12 aircraft would attempt a clandestine attack, employing U.S. markings, taking advantage of weaknesses in the U.S. detection and identification system, using U.S. navigational aids and flying the airways to the target areas,

c. Twenty-four of the atomic weapons allocated to the U.S. air offensive capability would be launched against forward and staging air bases and air forces, in Soviet aircraft and in flight cells most appropriate to the individual targets to be attacked. Their take-off times would be established so that they would reach target areas as soon as possible after the penetration of U.S. radar detection network by the main attack.

d. The ten weapons remaining in the allocation to the U.S. air offensive capabilities would be launched against forward and staging air bases and air forces at a later date, as reconnaissance demonstrated that these bases were re-occupied with profitable numbers of aircraft,

e. All planes carrying atomic weapons which aborted and returned to base would be re-launched against their original allocation at a later date,

f. The atomic air attack on overseas bases would be supplemented, wherever feasible, by continuing attacks with conventional bombs.

B. Air Attack, Mid-1955

54. Because of the improved U.S. early warning system, the USSR would have less chance of achieving surprise. Attack at night would still be the most advantageous to the attacking force. The availability of a heavy bomber with greater range than the TU-4 and the greater number of weapons available would alter both the nature of the attack and its magnitude. The heavy bombers would approach the U.S. at high altitude and maximum speed to avoid interception, while the TU-4's would approach at low altitude to avoid detection. Bases in the interior of the USSR would be required in order to achieve a high initial sortie, but the greater distances to the United States would be compensated by adjusting locations for refueling and individual targets to the base areas utilized. An operational and attack plan believed to have reasonable chance of success would contain the following elements:

a. The 151 atomic weapons allocated to major U.S. population, industrial and control complexes would be launched against 50 such complexes in flights containing a total of 294 aircraft. As many as 100 of these might be heavy bombers. Those aircraft not carrying atomic weapons would carry electronic counter-measures equipment and possibly fire and high-explosive bombs and BW weapons. Some would be given diversionary missions. All take-off times would be coordinated in an attempt to provide approximately simultaneous penetration of the outer radar detection network.

b. Fourteen atomic weapons would be launched against heavy bomber bases in the United States following the same attack pattern as in 1953. Seven additional weapons would be launched in the main attack against peripheral medium bomber bases in the United States.

c. Thirty-three atomic weapons would be launched initially against forward and staging air bases and air forces as soon as possible after penetration of the radar detection network by the main attack.

d. The 35 weapons remaining in the allocation to the U.S. air offensive capability would be launched at a later date as reconnaissance demonstrated that there were bases operational which contained profitable numbers of aircraft.

e. All planes carrying atomic weapons which aborted and returned to base would be re-launched against their original allocation at a later date.

f. The atomic air attack on overseas bases would be supplemented, wherever feasible, by continuing attacks, with conventional bombs.

C. Other Forms of Military Attack, Mid-1953 and 1955

55. Coordinated and synchronized with the air attack in order to preserve strategic surprise, large-scale land operations would be launched on the Eurasian continent. In addition, submarine attacks would be made on U.S. shipping and harbors.

. . . .

V. ESTIMATE OF DAMAGE TO THE UNITED STATES

A. Air Attack

57. A Soviet air attack with the objectives and under the plan described above, carried out under expected conditions of surprise, and degraded by the over-all attrition indicated in the preceding paragraphs, would result in the placement of the following numbers of atomic bombs on target areas:

	1953	*1955*
U.S. Population, Industrial and Control Complexes, Initial and Follow-Up Attacks	47	91
SAC Bases in the Continental United States, Initial Attack	10	†15
U.S. Air Atomic Offensive Forces and Installations Outside the United States, Initial and Follow-Up Attacks	28	55

†Includes weapons delivered on medium bomber bases. [Footnote in the source text.]

58. *Effect Upon U.S. Atomic Counteroffensive Capability:* The attacks upon the bomber bases in the United States and upon the forward and staging bases outside the United States would render those installations temporarily inoperable. Considerable numbers of trained personnel would be killed. Runways and underground fuel storage would suffer relatively little damage. Maintenance facilities, supplies, exposed refueling gear, and communications facilities, would be destroyed or severely damaged. Aircraft caught on base would be destroyed or badly damaged. Of all the aircraft, including naval and tactical, possessing an atomic delivery capability, in 1953 about 24 per cent, and in 1955 about 30 per cent, would be destroyed or severely damaged. Nevertheless, the number of remaining U.S. aircraft having an atomic capability would be much higher in 1955 than in 1953. Such attacks would force the Strategic

Air Command primarily into intercontinental operations and reduce the optimum monthly sortie rate by about 50 per cent. This situation would continue as long as the USSR could maintain neutralization of SAC bases overseas.

59. *Personnel Casualties:* If U.S. metropolitan centers were attacked solely with the object of maximizing personnel losses, casualties as high a figure as 9,000,000 might result in mid-1953 and as high as 12,500,000 in mid-1955, computed on the basis of a minimum of a half-hour, and an average of one hour, warning. One-half of these casualties might result in death. The attacking force, however, would not necessarily select precise aiming points designed purely to maximize personnel casualties, nor would it obtain optimum weapon placement. We believe, therefore, that actual casualties would be at an indeterminate lower level, possibly as low as 50 per cent of the figures given. Moreover, the number of casualties would vary widely with locality according to the amount of warning received, the effectiveness of the civil defense organization, and other unpredictable factors.

60. *Effect Upon Industry:* There would be initial paralysis of all industry within the areas attacked. In mid-1953, about one-third of total U.S. industry, including war-supporting industry, is located within or near such areas. In mid-1955, because of the wider scope of the attack, this proportion is increased to about two-thirds. Since much of this industry is physically widespread within these areas, the amount of direct damage cannot be accurately estimated. However, the direct and indirect results of the attack would be such as to seriously affect the national economy. It is considered unlikely that area bombing as employed would destroy a critical portion of any important industry, or that it would seriously cripple any critical category of war industry. Scattered damage to plants engaged in the manufacture of components and parts might be more serious than the damage to major end-product manufacturing facilities, and might seriously affect the production of critical war equipment. Considering the entire U.S. industrial plant, including facilities located in areas free from attack, we believe that, with forceful and well-planned measures for rehabilitation, the over-all physical damage would not be of such proportions as to prevent U.S. industry from adequately supporting large-scale and extensive military operations.

B. Military Attack Other Than Air

61. If the USSR should launch a military attack against the continental U.S. with other than air forces, the damage resulting would not significantly add to the damage estimates noted above. Such attacks upon U.S. installations and forces outside the U.S.

which are a part of the U.S. air atomic counteroffensive capability likewise would not significantly add to the damage which would result from air attack.

. . . .

D. Psychological Effect

65. The potentially most serious consequence of the Soviet attack would be the psychological impact of a large-scale atomic attack. There would be morale and political problems of a magnitude which it is impossible to estimate, or even comprehend, on the basis of any presently available valid data. The capability of the United States to bring the considerable remaining manpower and economic potential into the prosecution of the war would depend upon the adequacy of advance planning and upon the resolution and resourcefulness with which government and leadership dealt with the problems of waging the war, including neutralization of the USSR atomic capability, and of providing for the physical and psychological needs of our people as a whole.

S/S-NSC files, lot 66 D 148, "Solarium"

Memorandum by the President to the Secretary of State

TOP SECRET WASHINGTON, May 20, 1953.

Subject: Project Solarium

I have asked the Commandant of The National War College, Lieutenant General H. A. Craig, USAF, to organize and administer the above-mentioned highly classified and urgent project for the National Security Council. The carrying out of this project will require the temporary services of some few specially selected officers, possibly from your Department or Agency, and the furnishing of some administrative or secretarial personnel and services. The project, which will formally commence about June 10, 1953, should be completed in about six weeks.

This is to request that you cooperate with General Craig by providing to him on temporary duty such officers and other personnel as he may request and any services he may require. Travel, per diem and other expenses connected with his requests should be borne by your Department.

I wish to emphasize the urgency involved and to request that the needs be met as expeditiously as possible and by the provision of highest quality personnel and services.

The Acting Secretary of State, General Smith; the Director for Central Intelligence, Mr. Dulles; and the Special Assistant to the President for National Security Affairs, Mr. Cutler; constitute a working committee of the National Security Council in connection with Project Solarium. At my request they are coordinating arrangements with General Craig.

DWIGHT D. EISENHOWER

[Attachment]

PART I—PERSONNEL RECOMMENDATIONS FOR TASK FORCES [1]

Task Force "A":

The exploration and presentation of Alternative "A" [2] requires intimate understanding of the past policies and actions of the United States, the rest of the free world, and of the U.S.S.R., and broad gauge political, military, economic and psychological planning for the future.

The persons recommended to make up this Task Force are:

Chairman:

George F. Kennan (Retired Foreign Service, Political Planner and Russian Expert) [3]

Members:

Colonel G. A. Lincoln (USA, Military Planner and Economist)

Mr. Paul Nitze (State Department, Political Planner and Economist)

Rear Admiral H. P. Smith (USN, Military Planner and Expert on Foreign Military Matters)

Mr. C. Tyler Wood (MSA, Economist and Expert on Congressional Relations)

Alternates:

Lieutenant General C. P. Cabell (USAF, Military Planner and Intelligence Expert)

Mr. Dean Rusk (Rockefeller Foundation, Political and Military Planner and Economist)

Mr. Edward T. Dickinson (NSRB, Economist)

Mr. Joseph E. Johnson (Carnegie Endowment, Historian, Political Planner)

Task Force "B":

The exploration of Alternative "B" requires an intimate knowledge of Communist reactions and methods; sound political and military judgement both regarding the Communist orbit and the free world; knowledge of United States military capabilities to wage general war, including the use of unconventional weapons; ability to evaluate the economic capability of the United States and the rest of the free world to support the alternative.

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[1] A notation on the source text indicates that Part I was drafted on May 18.

[2] The Alternatives A, B, and C under reference in this document are those outlined in the paper prepared by Cutler, p. 324.

[3] Kennan subsequently discussed his participation in the Solarium exercise in his *Memoirs, 1950-1963* (Boston, 1972), pp. 181-182.

The personnel recommendations are:

Chairman:

Philip E. Mosely (Director of Russian Institute, Columbia University)

Members:

Major General John R. Deane (USA, Rtd., Military Planner and Russian Expert)

Mr. Douglas MacArthur, Jr. [*II*] (State Dept., Counselor)

Major General James McCormack (USAF, Military and Political Planner, Atomic and New Weapons Expert)

Mr. John Lindeman (MSA, Student, NWC, Economist with experience in foreign economics)

Alternates:

Mr. James K. Penfield (Foreign Service, Political Planner with experience in Far East, Soviet Orbit, U.K.)

Major General John B. Montgomery (USAF, Strategic Air Operations)

Dr. S. Douglas Cornell (Recently of R&DB, New Weapons Expert)

Task Force "C":

The Task Force working on Alternative "C" should include imaginative military, political, psychological and subversive planning experience; profound experience on Soviet-Communist actions and reactions; knowledge of the military situation in Korea and Soviet Satellite areas; and ability to evaluate the economic resources required to follow such a course.

Recommended personnel are:

Chairman:

Mr. J. J. McCloy

Members:

Lieutenant General L. L. Lemnitzer (USA, Military Planner, Foreign Affairs Expert, recently returned from Korea)

Mr. G. Frederick Reinhardt (Foreign Service, Russian Expert, Political Advisor, SHAPE)

Mr. Frank G. Wisner (CIA)

Lieutenant Colonel A. J. Goodpaster, Jr. (USA, Brilliant Military Planner, extensive background in international affairs)

Alternates:

Admiral R. L. Conolly (USN)

Mr. Edmund A. Gullion (Foreign Service, Policy Planning Staff, recently in Indo China)

Mr. Burke Knapp (International Bank, Economist NATO and South American experience)

Mr. Robert P. Joyce (Foreign Service, Policy Planning Staff, psychological and covert operations, Balkan experience)

Mr. Edward T. Dickinson (NSRB, Economist)

PART II—ORGANIZATION [4]

1. The three separate Task Forces will be organized to work at The National War College. The Commandant of The National War College will provide the necessary administrative facilities and support. A small technical staff composed of Colonel C. H. Bonesteel as Executive, Colonel V. J. Esposito as Logistical Advisor and Colonel R. Hackett as Costing Advisor will assist the Commandant and the Task Forces. Mr. T. M. Koons, of the National Security Council Staff, aided by Chief Warrant Officer Leland W. Thompson, USA, will act as Executive Secretary. It may be found desirable to co-opt as a temporary member of the staff a senior officer of the Bureau of the Budget to provide budgetary advice to the Task Forces from time to time. Any of the faculty or students of The National War College will be available to assist if required.

2. Arrangements must be made to provide experts from the Executive Departments and Agencies for consultation with the Task Forces as required. These witnesses need not be informed of the project under way. They can be told they are being called upon in connection with a War College project.

3. Physical accommodations and most of the necessary equipment and supplies will be furnished by The National War College. Six expert, security cleared shorthand-typists will be required from other sources.

4. Visual aids for presentation purposes should be made up somewhere other than at the War College so as not to compromise the Cover Plan applying to the work of the Task Forces.

5. Authority will be needed to order required personnel to temporary duty at the War College and to obtain needed services. The source of funds required for travel expenses, per diem, etc., needs to be fixed.

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[4] A notation on the source text indicates that Part II was drafted on May 18.

PART III—METHOD OF WORK AND TIMETABLE [5]

1. During the week ending 23 May, the Task Forces will be formed, initial briefing performed, intelligence and background data accumulated. A tentative briefing schedule might be as follows:

Thursday A.M., 21 May—N.S.C. Staff
Thursday P.M., 21 May—J.C.S.
Friday A.M., 22 May—Research and Development Board
Friday A.M., 22 May—Munitions Board
Friday P.M., 22 May—C.I.A.
Friday P.M., 22 May—State Department

(These might need to be scheduled later if many members of the Task Forces are required to travel some distance to get to Washington)

2. The week 24-30 May will be devoted to general exploration of each Alternative in the form it is expressed in the original Memo for the Record, dated 9 May. Task Forces will be available for consultation with the Directing Panel while the Panel is finalizing the terms of reference.

3. The two weeks 31 May-13 June will be devoted to the formulation of initial plans and presentations for each Alternative. These initial presentations will be made before the Directing Officers and the Panel on the week-end 13-14 June. The Panel will then make such criticisms and suggestions to the Task Forces as are required to assure that the finished presentations will be of the type and substance desired.

4. The ten days 15-24 June will be used to complete the plans and presentations in accordance with the critique of 13-14 June. Semi-final presentations will be given to the Panel on 24-25 June.

5. The Task Forces will be prepared to give their finished presentations to the President and the NSC any time after 28 June.

6. During the working periods there will be frequent plenary sessions at which all Task Forces can exchange ideas and be informed of the others work.

7. The Commandant of The National War College and the Technical Staff for the project will assist the Task Forces as required.

PART IV—SECURITY ARRANGEMENTS

1. The highest security will be maintained concerning the existence and object of the project.

2. As a Cover Plan it is suggested that the group working at the War College be explained by calling them a Board of Review on

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[5] A notation on the source text indicates that Part III was drafted on May 18.

National Security Education, with the purported task of examining the present system.

3. Special identity passes will be issued to all persons working on the project and the area in which they work will be under special security guard.

PART V—ACTIONS REQUIRED

1. Early approval as to the composition of the Task Forces.

2. Authority for the Commandant of The National War College to request orders be issued to bring government employed personnel of the Task Forces to temporary but full time duty at the War College. One means of handling this is to have the President sign a memorandum to certain Chiefs of Executive Departments and Agencies requesting them to provide personnel and services as requested. A draft of such a letter is attached. [6]

3. Provision of competent shorthand-typists. This would be effected by the Commandant of The National War College through use of the Presidential memorandum suggested in 2 above.

4. Arrangements for briefings of the Task Forces. Depending on when the Task Forces can be assembled, these can be arranged by the Commandant of the National War College under the authority of the Presidential memorandum.

5. Arrangements for obtaining intelligence and background material and, from time to time the services of expert advisors from Executive Departments. This can be handled as in 4 above.

6. Security clearance, administrative arrangements, compensation, etc., of persons not presently employed by the government who are asked to serve on the Task Forces. Recommend these be effected by the State Department. [7]

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[6] Not printed.

[7] In a memorandum to the Secretary of State, dated May 22, Cutler noted the President's approval of the list of personnel to comprise the Solarium task forces with the understanding that some of those chosen might be unable to serve necessitating replacements. He requested that the necessary administrative steps be taken to formally assign Department of State personnel to the project which was to commence at the National War College on June 5 and last for approximately 6 weeks. He stated that the project would "be carried on, under appropriate cover" with details to be arranged by Lt. Gen. H. A. Craig, USAF, Commandant of the National War College. (S/S–NSC files, lot 66 D 148, "Solarium")

PPS files, lot 64 D 563, "Natl Sec (civil defense)"

Memorandum to the National Security Council by the Executive Secretary (Lay) [1]

TOP SECRET WASHINGTON, June 1, 1953.

Subject: Summary Evaluation of the Net Capability of the USSR to Inflict Direct Injury on the United States up to July 1, 1955

References:

A. NSC 140/1 [2]

B. Memo for NSC from Executive Secretary, same subject, dated May 28, 1953 [3]

The enclosed views of the Joint Chiefs of Staff, the Central Intelligence Agency, the Interdepartmental Intelligence Conference and the Interdepartmental Committee on Internal Security with respect to the reference report on the subject are transmitted herewith for the information of the Council in connection with its discussion of NSC 140/1 at its meeting on June 4, 1953.

It is requested that special security precautions be observed in the handling of the enclosures and that access to each copy be strictly limited and individually controlled on an absolute need-to-know basis.

JAMES S. LAY, JR.

[Enclosure 1]

Memorandum by the Secretary of the Joint Chiefs of Staff (Lalor) to the Executive Secretary of the National Security Council (Lay)

TOP SECRET WASHINGTON, May 29, 1953.

Subject: Summary Evaluation of the Net Capability of the USSR to Inflict Direct Injury on the United States up to July 1, 1955

1. The Joint Chiefs of Staff have reviewed NSC 140/1, subject as above. They note that the purpose of the report is to evaluate the net capability of the USSR to inflict direct injury on the United States in the period up to July 1, 1955. They further note that the

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[1] Copies to the Secretary of the Treasury; the Attorney General; the Directors of Defense Mobilization and Central Intelligence; the Chairmen of the Atomic Energy Commission, the Joint Chiefs of Staff, the Interdepartmental Intelligence Conference, and the Interdepartmental Committee on Internal Security; and the Federal Civil Defense Administrator.

[2] Dated May 18, p. 328.

[3] Not printed; it transmitted to the National Security Council additional and revised materials for NSC 140/1 that are included in the printed version of NSC 140/1.

terms of reference also included USSR capability to attack major U.S. installations outside of the United States, such installations selected on the basis of their relative importance to the defense of the United States or to a United States counteroffensive against the USSR.

2. The Joint Chiefs of Staff desire to invite attention to the fact that the terms of reference on which the report is based limit consideration to only one aspect of the over-all problem of effects of the possible courses of action with which the USSR may initiate war and these terms of reference should not be construed as representing the opinion of the Joint Chiefs of Staff as to the manner in which the USSR would wage war. Although the report is a valuable contribution to defense planning, the Joint Chiefs of Staff consider that it provides only a segment of the data necessary, and therefore does not constitute a sufficiently broad basis for planning for the over-all security of the United States.

For the Joint Chiefs of Staff:
W. G. LALOR
Rear Admiral, U.S. Navy (Ret.)

[Enclosure 2]

Memorandum by the Director of Central Intelligence (Dulles) to the Executive Secretary of the National Security Council (Lay)

TOP SECRET WASHINGTON, June 1, 1953.

Subject: CIA Comments on NSC 140/1

1. The subject paper has been reviewed by this Agency and found to be in consonance with the intelligence now available to us except for one minor point mentioned below in paragraph 2-a. In my opinion, the Subcommittee is to be highly commended for the quality of its report and the unique contribution it makes to our understanding of the nation's defense problem. It amply justifies efforts that have gone into it and to my mind suggests the advisability of similar attacks on other difficult questions requiring the blending of operational and intelligence information into "net" estimates.

2. I have only two comments as to the substance of the reports:

a. On page 8, in paragraph 5 of the Discussion, it is stated that:

> ". . . In mid-1953, the USSR will probably possess about 1,000 medium bombers of the TU-4 type (comparable to U.S. B-29). By mid-1955, this number may be increased to about 1,100. . . ."

Since this portion of the paper was prepared, further evidence has come to light which has caused us now to estimate that the Soviet Union has over 1,600 of these planes at the present time and is producing them at the rate of about 35 per month. Since the number of TU-4's assumed to take part in attack is well below 1,000 in the period mid-1953 to mid-1955, the conclusions of NSC 140/1 are in no way affected by this revision; but it might be pointed out that any doubts as to whether the Soviet medium bomber fleet is sufficient to enable the Soviet Long-Range Air Force to expend planes relatively plentifully in one-way missions, are pretty well dissipated.

b. In order to keep the problem within manageable limits, General Edwards' Subcommittee based its calculations on the "best estimate" figure as to Soviet atomic bomb stockpile. As pointed out in SE-36, NSIE-1, [4] and elsewhere, this median figure is never given except in conjunction with upper and lower limits—plus 100 percent or minus 33⅓ percent respectively. Thus it should be borne in mind that by 30 June 1955, the Soviets *might* have a stockpile up to twice as large as that taken as a basis for the calculations in NSC 140/1. Again this does not affect, in my judgment, the validity of the general conclusions of the report. It merely means that the magnitude of the Soviet capability envisaged therein for mid-1955 might be increased or reduced, or advanced or delayed by a year or more.

3. This Agency strongly recommends NSC 140/1 to the Council as a sound intelligence estimate and as an appropriate basis for developing national policy.

ALLEN W. DULLES

[Enclosure 3]

The Chairman of the Interdepartmental Intelligence Conference (Hoover) to the Executive Secretary of the National Security Council (Lay) [5]

TOP SECRET WASHINGTON, May 29, 1953.

DEAR MR. LAY: Reference is made to your memorandum of May 19, 1953, [6] which transmitted for review and comment by the Interdepartmental Intelligence Conference a report prepared by the Special Evaluation Subcommittee of the National Security Council pursuant to a directive contained in NSC 140.

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[4] Special Estimate 36, "Soviet Capabilities for Attack on the United States through mid-1955" is in INR files, lot 58 D 528, "Special Estimates"; NSIE-1 cannot be further identified.

[5] A notation on the source text reads "Via Liaison".

[6] Not printed.

The Interdepartmental Intelligence Conference has certain comments to offer. The Soviet plan of attack as set forth in the report admittedly is not the only plan which the Soviets might logically pursue. The air attack contemplates delivery of the bulk of Soviet atomic weapons against certain of the major population centers of the United States. The Soviet leaders would have to weigh the advantages of such an attack which would involve only the random destruction of critical war industry against the fact that the bulk of the known Communist Party members in the United States and approximately two thirds of the most dangerous potential Communist saboteurs reside in the areas indicated for attack under the plan proposed. The Soviet leaders have in the past, in other countries and under war conditions utilized the indigenous Communists for underground guerrilla and sabotage operations. Any difference in allocation of atomic weapons under the plan of attack might have resulted in more atomic weapons being available for clandestine use.

The damage effects from clandestine attack and sabotage are set out on page 27 of the report. The language used in paragraph 63 thereof might leave an inaccurate impression, since the effects of "portable atomic weapons" are compared with those of air-dropped bombs. We understand it is a fact that clandestinely-placed atomic demolition weapons can have a much greater destructive power than the typical Soviet air-dropped atomic weapons contemplated in the evaluation. Damage resulting from use of clandestine atomic weapons could have been evaluated qualitatively had the Subcommittee designated specific targets for demolition atomic weapons in its plan of attack on the basis of the statements regarding vulnerability of certain critical facilities which appeared in paragraph 49 on page 20 of the report.

The Interdepartmental Intelligence Conference, applying the above observations, approves the report.

Sincerely yours,

J. EDGAR HOOVER

[Enclosure 4]

Memorandum by the Chairman of the Interdepartmental Committee on Internal Security (Donegan) to the National Security Council Representative on Internal Security (Coyne)

TOP SECRET WASHINGTON, May 28, 1953.

Subject: Summary Evaluation of the Net Capability of the USSR to Inflict Direct Injury on the United States up to July 1, 1955.

As requested in your memorandum captioned as above, dated May 19, 1953,[7] the comments contained below are submitted by ICIS with regard to the report (NSC 140/1) on this subject prepared by the Special Evaluation Subcommittee of the NSC. This memorandum has not been coordinated through the member departments of the ICIS.

While it is realized that other plans of attack are available to the Soviets and might have been considered, the ICIS is confining its observations to the Soviet concept of operation and plan of attack adopted by the NSC Special Evaluation Subcommittee. In this connection, the ICIS believes the report undervalues the likelihood of sabotage with atomic demolition weapons. This could be misleading.

The ICIS disagrees with the conclusion stated in the third sentence of paragraph 4-d (1), page 6, for the following reasons:

Fissionable material diverted to small weapons for clandestine attack purposes would make available more weapons than the same amount of fissionable material would in weapons for military attack by air. If so diverted, these small weapons would permit a broader selection of targets and increase the likelihood of complete destruction of a greater number of critically important facilities. The ICIS concludes, accordingly, that the effect of clandestine atomic weapons properly placed could be considerably greater rather than "broadly equivalent" to the effect of the same amount of fissionable material used in air dropped weapons. Furthermore, as paragraph 4-d (1) indicates, clandestinely employed atomic weapons are one hundred percent effective whereas elsewhere in the report it is clearly indicated that weapons assigned to air drop are subject to a substantial percentage of aborts, operational losses, etc., as set forth in paragraph 7, page 9.

The ICIS wishes to emphasize that the foregoing must be considered in direct relation to the possibility of detection of alien fissionable material. We cannot be assured of receiving advance information in this regard. There are no practical technical means available either now or in the foreseeable future for the detection of alien fissionable material. Such material, without any reasonable likelihood of detection, can be introduced clandestinely into the United States through varied means which include but are not limited to the diplomatic pouch, the person, personal effects or baggage of legal or illegal entrants, shipments by land, sea and air, either at established ports of entry or across our unprotected coast lines and land borders. Once so introduced there is only a slight possibility of detecting such alien fissionable material either in disassembled or assembled form wherever located.

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[7] Not printed.

If the NSC concurs in the validity of the foregoing observations, it would appear desirable for NSC to direct a re-examination and revision of those few segments of the report that relate directly thereto such as paragraph 4-c—page 6, paragraph 16—page 11, paragraph 44—page 18, paragraph 56—page 24, and paragraph 63—page 27.

THOMAS J. DONEGAN

PPS files, lot 64 D 563, "Review of Basic National Policy"

Paper Prepared by the Directing Panel of Project Solarium [1]

TOP SECRET [WASHINGTON?,] June 1, 1953.

PROJECT SOLARIUM

I. PURPOSE

1. The President has approved the creation of a project under the direction of the National Security Council to formulate and present alternative courses of action which the United States might presently or in the future undertake with respect to the Soviet power bloc.

2. In fulfillment of its portion of the project, the Panel has selected and defined in general terms certain courses of action for study, development and evaluation by Task Forces under terms and conditions set forth below.

3. Each Task Force will prepare and later present its report to the National Security Council in order to assist the Council in making its recommendation of the best courses of action to be adopted by the United States.

II. GENERAL INFORMATION AND GUIDANCE

1. U.S. National Objectives.

The objectives pursued by the United States in its relations with the rest of the world are extremely diverse and highly complex, not readily reduced to simple or systematic form. For examples of general statements of the more important objectives, see NSC 153,[2] the President's speech to the American Society of Newspaper Editors on April 16, 1953,[3] and the Preamble and Articles I and II of the United Nations Charter.

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[1] The source text contains no information pertaining to the identity of the drafting officer(s) or the time or place of drafting. However, reference to "the Panel" in Part I, paragraph 2 would indicate that the paper was produced by the Directing Panel in accordance with instructions given in Part III, paragraphs 2 and 3 of the memorandum from the President to the Secretary of State, May 20, 1953, p. 353. The title page of the source text, not printed, contains the handwritten notations "Recd 6/9/53" and "Secy Dulles".

2. Range of Soviet Policies or Courses of Action.

a. The capabilities of the Soviet bloc will be assumed to be as set forth in National Intelligence Estimate No. 65[4] supplemented by such other agreed intelligence and pertinent studies as exist within the Government.

b. In order to avoid differing estimates by the several Task Forces as to Soviet intentions, each Task Force will analyze the course of action assigned to it with reference to the following alternative Soviet lines of action:

(1) The Soviets may seek a military decision with the West at any time, based either upon a determination to resort to war as an instrument of policy or upon a miscalculation as to free world intentions and capabilities.

(2) The Soviets may maintain, at some risk of general war, aggressive pressure, continuously or interspersed with active phases of "Peace Offensives", to extend their control and weaken the free world coalition.

(3) The Soviets may accept a defensive posture in order to consolidate the present position of the Soviet bloc and to avoid a risk of general war, relying upon and encouraging the divisive forces within the free world.

The Panel has not entirely excluded the possibility that the Soviets will, for reasons of their own, become bona fide peaceful members of the family of nations, but does not consider such action sufficiently likely to include it in the foregoing Soviet lines of action. The Task Forces, however, may find it desirable at least to consider this possibility in examining and developing the policy assigned to them.

3. Factors Used in Selecting U.S. Courses of Action for Study.

a. The Panel has recognized that courses of action, other than those recommended below for Task Force examination, are conceptually possible and, indeed, may receive support from one or another quarter. The Panel calls attention, therefore, to certain courses which it has excluded from its directives as being in conflict with the realities of the world situation. Examples of those excluded are:

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[2] Regarding NSC 153, see the memorandum from Bowie to the Secretary of State, June 8, p. 370. For text of NSC 153/1, June 10, see p. 378.

[3] Regarding the President's "Chance for Peace" speech, see the editorial note, p. 1144.

[4] NIE-65, "Soviet Bloc Capabilities Through 1957", June 16, is scheduled for publication in volume VIII.

(1) A course of action which would rest upon a drastic reduction of our armed strength (in the absence of effective international regulation) and a determination not to fight except in the event of invasion of U.S. territory.

(2) A course of action which would, as a deliberate choice, rely solely upon the economic and military strength of the United States.

(3) A course of action which would involve a major change in the structure of international organization (Atlantic Union, World Government, etc.).

(4) A course of action which would contemplate the launching of a preventive war against the Soviet Union on our own initiative.

b. The Panel has also recognized that the separate courses of action to be studied by Task Forces may be divided and combined in many variations. It seemed to the Panel that its own task could best be performed if it set clearly distinguishable courses before the Task Forces in such a way as to develop a full examination of the factors involved. After the Task Forces have completed their work on specific alternatives, and the National Security Council has had an opportunity for preliminary consideration, it will probably be necessary to attempt a synthesis of the constructive elements of several alternatives, as a basis for final decision.

c. The Panel would add the comment that vitally important as it is to develop a unity and consistency of effort behind basic courses of action and to project them into the future, no major policy decision can serve the needs of the United States unless subjected to continuous review and modified to exploit changing circumstances.

III. SPECIFIC INSTRUCTIONS

1. Each Task Force will prepare its study as a proposed coordinated policy for the United States, to the extent possible in terms of specific actions or projects. It is important that each Task Force take into account not only the mechanical and material factors involved in its proposed policy but also the psychological, philosophical and ideological intangibles which may effect the cohesion and common purpose with which the nations of the free world face the challenge and threat of Communism.

2. Each Task Force should consider such of the following questions as are relevant to its proposed courses of action, using its own discretion as to how such questions should be handled in its final report:

a. What general results are expected to be accomplished by the proposed policy? Over what general time period?

b. What specific actions (diplomatic, political, military, economic, administrative, or other) should be undertaken by the United States to implement the proposed policy? What is the time phasing of such actions?

c. What major lines of action now being carried out by the United States should be abandoned in order to act economically and to remain consistent with the proposed policy?

d. What is the approximate magnitude and rate of expenditure of U.S. resources which would be required to carry out the proposed actions? What is the comparative probability and general magnitude of U.S. casualties involved?

e. Which features of the proposed policy and actions can be made public, and what elements should remain secret?

f. To what extent would the proposed policy and lines of action be supported by U.S. public opinion and by the U.S. Congress, assuming vigorous leadership on the part of the principal officers of government? Would the proposed actions require additional major legislation?

g. What is the estimated effect of the proposed policy and actions upon U.S. relations with (1) the Latin American governments, (2) the NATO governments, (3) other Western European governments, (4) the governments of Japan, the Philippines, Australia and New Zealand, (5) countries of the Asian-Arab bloc and others not now allied with the United States? What action can be taken to increase the support of world opinion for the proposed policy and to minimize adverse effects?

h. Are the proposed actions consistent with the United States commitments under the United Nations Charter, other treaty obligations, and the general rules of international law?

i. How would the leaders of the Soviet Union be expected to interpret and react to actions by the United States under the proposed policy? Of Red China?

j. To what degree would the proposed actions reasonably safeguard the security of the United States and of its principal allies regardless of the line of action adopted by the Soviet Union?

k. To what degree would the proposed actions affect the risk of general war?

l. Would the proposed actions weaken or strengthen the cohesion of the Iron Curtain coalition? What effect would these actions have on the people of those countries? What steps can be taken to enlist the support of populations behind the Iron Curtain?

m. In the event action is directed toward an area now behind the Iron Curtain, what disposition is to be made of the area in the event of success? What are the problems created by (1) success, (2) failure?

n. Are the proposed actions based upon well-established facts as regards our own capabilities and those of the non-Soviet world? What additional studies must be initiated?

o. Under the proposed policy, which questions would *require* negotiation with the Soviet Union? What safeguards or sanctions would insure performance by the Soviet Union of resulting agreements? What type of negotiations with the Soviet Union would be precluded by the proposed policy?

p. In what specific ways would it be possible to confront the Soviet Union with necessary choices between alternatives other than general war, any of which would work to the advantage of the United States and its allies?

3. Any assumptions made by a Task Force should be clearly stated and promptly coordinated with other Task Forces concerned.

4. Each Task Force will develop the presentation of the policy assigned to it in the same manner that a responsible advocate works up a case for court. Though the arguments in favor of the policy will be marshalled as effectively as possible, each Task Force is also charged with disclosing the weaknesses inherent in that policy and the countervailing arguments. Consultation between Task Forces and mutual criticism of each others' work are encouraged.

5. The essential elements of the policy, courses of action and arguments will be set forth in a paper; the Task Forces will focus their efforts particularly on making an effective oral presentation to the National Security Council, using maps, charts and other visual aids to the maximum extent.

IV. SECURITY

The highest security should be maintained concerning the existence of the project and its objective. To this end the Task Forces should operate under a suitable "cover plan". Special identity passes should be issued to all persons working on the project, and the area in which they work should be under special security guard.

V. ALTERNATIVE POLICIES ASSIGNED TO TASK FORCES

1. Alternative "A".

a. The policy of the United States, as elaborated more fully in NSC 153, would be:

(1) To maintain over a sustained period armed forces to provide for the security of the United States and to assist in the defense of vital areas of the free world;

(2) To continue to assist in building up the economic and military strength and cohesion of the free world; and

(3) Without materially increasing the risk of general war, to continue to exploit the vulnerabilities of the Soviets and their satellites by political, economic and psychological measures.

b. For purposes of analysis and study by the Task Force, it is assumed that this policy would be interpreted and administered on the following bases:

(1) Time can be used to the advantage of the free world, if we can build up and maintain the strength of the free world during a period of years, Soviet power will deteriorate or relatively decline

to a point which no longer constitutes a threat to the security of the United States and to world peace.

(2) In seeking to deter and oppose further expansion by the Soviet bloc, the policy would include the utilization of military operations, as necessary and feasible, even at the grave risk of general war. However, an attempt would be made to localize such military operations as far as possible.

V. ALTERNATIVE POLICIES ASSIGNED TO TASK FORCES

2. Alternative "B".

a. The policy of the United States would be:

(1) To complete the line now drawn in the NATO area and the Western Pacific so as to form a continuous line around the Soviet bloc beyond which the U.S. will not permit Soviet or satellite military forces to advance without general war;

(2) To make clear to the Soviet rulers in an appropriate and unmistakable way that the U.S. has established and is determined to carry out this policy; and

(3) To reserve freedom of action, in the event of indigenous Communist seizure of power in countries on our side of the line, to take all measures necessary to re-establish a situation compatible with the security interests of the U.S. and its allies.

b. The Task Force should consider:

(1) Where the line should be drawn; if it excludes countries now outside the Iron Curtain, the effect of such exclusion upon such countries and U.S. interest therein.

(2) Whether aggression across the line in particular regions should be met at the outset by general military action against both the Soviet Union and China or only against the one most directly involved.

(3) The nature of the measures to be taken by the U.S. in various circumstances of indigenous Communist takeover of countries on our side of the line drawn.

(4) If a line is drawn which excludes countries now outside the Iron Curtain, the attitude and action of the United States, short of armed intervention, toward Communist encroachment upon such countries.

(5) Whether or not to consult with certain or all of our allies and other free world powers in advance of the adoption of this policy, to ask certain or all of them to associate themselves with it, or to make this policy contingent upon their acceptance.

c. As a phase of its assignment the Task Force will (1) explore the effects of drawing a line to include only the minimum areas necessary to U.S. security, without consideration of present obligations, sentiment or past association; (2) determine to what extent the flexibility and capabilities of the U.S. would be affected by reducing its commitments and permitting it to act without consulting a large group of allies or associated states; (3) analyze the degree to which Soviet strength would be enhanced or dissipated by specific extensions of its territorial limits or political controls which might result from such a policy.

d. As an additional phase, the Task Force will explore the effect of a complete isolation or outlawry of the Soviet bloc from the rest of the world. This policy would accept the risk of military conflict between the world community and the "outlaw" bloc, but it would attempt to make as costly as possible the decision of the Soviet bloc not to conform to the minimum standards of conduct essential to peaceful co-existence. The Iron Curtain countries would be sealed off for all political, economic, cultural and other purposes which may be advantageous to them; Iron Curtain countries would not participate in international organizations and could claim no protections or benefits from international law. The policy would envisage, in effect, two worlds.

V. ALTERNATIVE POLICIES ASSIGNED TO TASK FORCES

3. Alternative "C".

a. The policy of the United States would be:

(1) To increase efforts to disturb and weaken the Soviet bloc and to accelerate the consolidation and strengthening of the free world to enable it to assume the greater risks involved; and

. . . .

VI. MEMORANDUM ON BASIC ISSUES

The Panel has recognized that, in setting forth the foregoing alternative policies for study, it has not been possible to deal specifically with certain basic issues which cut across all lines of action and upon which a judgment will be needed when final decisions are made.

Some of these issues are outlined in the attached paper [5] (Memorandum on Basic Issues). The Panel does not recommend that these questions be referred to a specific Solarium Task Force, although the Memorandum might be furnished each Task Force as a matter of interest. The NSC Working Committee may wish to consider whether some or all of these issues should be examined by other means which would permit more time than is available to Solarium.

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[5] Not printed.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 148th Meeting of the National Security Council, Thursday, June 4, 1953 [1]

[Extract]

TOP SECRET EYES ONLY

The following were present at the 148th meeting of the Council: The President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Deputy Secretary of Defense; the Director for Mutual Security. Also present were the Secretary of the Treasury; the Attorney General (for Items 2 and 3); the Director of Defense Mobilization; the Director, Bureau of the Budget; the Acting Chairman, Atomic Energy Commission (for Item 2); the Acting Secretary of Commerce (for Items 4 and 5); the Secretary of the Army (for Item 2); the Secretary of the Navy (for Item 2); H. Lee White for the Secretary of the Air Force (for Item 2); Lt. Gen. Idwal H. Edwards, Chairman, Special Evaluation Subcommittee of the NSC (for Item 2); Walter S. Delany, Office of the Director for Mutual Security (for Item 4); Kenneth R. Hansen, Office of the Director for Mutual Security (for Item 4); General Collins for the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Deputy Director of Central Intelligence (for Item 2); Lt. Gen. Harold R. Bull, Central Intelligence Agency (for Item 2); Robert Cutler, Special Assistant to the President; Lewis L. Strauss, Special Assistant to the President; C. D. Jackson, Special Assistant to the President; the NSC Representative on Internal Security (for Item 2); Marshall Chadwell, Central Intelligence Agency (for Item 2); Herbert Miller, Central Intelligence Agency (for Item 2); Herbert Blackman, Department of Commerce (for Items 4 and 5); the Military Liaison Officer; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the chief points taken.

. . . .

2. *Summary Evaluation of the Net Capability of the USSR To Inflict Direct Injury on the United States up to July 1, 1955* (NSC 140/1; Memos for NSC from Executive Secretary, same subject, dated May 28 and June 1, 1953) [2]

Mr. Cutler reminded the Council of the background of this report, and called the Council's attention to the ancillary report from the Joint Chiefs and others, commenting on it. He also briefly indicated the objectives of General Bull's committee on continental defense, which was expected to have its report ready in mid-July.

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[1] Drafted by Deputy Executive Secretary Gleason on June 5.

[2] For text of NSC 140/1, May 18, see p. 328. Regarding the May 28 memorandum, see footnote 3 to the June 1 memorandum, p. 355.

General Edwards thereupon briefed the Council with respect to the highlights of NSC 140/1.

At the conclusion of General Edwards' briefing, the President observed that of the possible bases from which the Soviets might launch an atomic attack on the United States, those on the Chukotski Peninsula, across the Bering Straits from Alaska, seemed to him to pose the greatest threat. He wondered, therefore, whether we should not step up our air defenses and air warning system in Alaska specifically, in order to detect and repel such an attack.

General Edwards replied that while this would doubtless be advantageous, it remained true that the enemy could pierce the radar screen and defenses if he flew at low altitudes, and it was very probable that the enemy knew the location of our stations in the area.

In that case, said the President, had thought been given to the use of flying radar?

General Edwards replied that this had been taken into account in his report, along with picket ships.

It seemed to the President that at least the enemy could not know where our flying radar was located. He went on to state that it seemed eminently sensible that our own SAC bases be kept as unclogged as possible to reduce the length of time necessary to mount a retaliatory attack.

General Edwards expressed agreement with the President's objective, but noted how difficult it was to achieve the objective unless you were on a 24-hour alert.

The President then asked, in view of the statements of General Edwards on the routes of approach that Soviet planes might be expected to follow, whether there was really much sense in setting up an elaborate early warning screen in the far northern reaches of Canada. It seemed to him that most of the routes which the Soviets would follow avoided such a screen. The President followed this with an inquiry as to whether General Edwards' report had taken into account the responsibility of the Canadians in the defense of the continent, since they had talked to him about this during a recent visit.

General Edwards replied that the Canadian contribution had been taken into account in the preparation of his report.

The President then commented on the very great advantages which would accrue to our defense if we could really count on two hours of warning. He then asked whether, in our own tests of atomic bombs, we had either planted or dropped a bomb in a masonry area so that we could derive some information as to the degree of destruction which would be the lot of our large cities.

General Edwards said that the report had taken into account whatever available evidence there was on this problem.

The President, smiling, turned to General Edwards and observed that in his lifetime he had listened to a great many staff reports. Since he had exchanged the military for civilian life, he seemed to sense a notable improvement in the quality of such reports. He hoped that there was no connection between the two phenomena, but he did wish to congratulate each and every member of the group which had given the Council such an admirable and clear statement on this important subject. The President added that he had perhaps some little doubt as to whether General Edwards and his committee had given sufficient weight, in downgrading Soviet capabilities, to their obvious inferiority and even incompetence in the navigation of planes at long ranges. Anyone who had ever ridden with Soviet pilots could vouch for this incompetence.

Mr. Stassen then asked General Edwards about the effectiveness of the communications network in spreading warning quickly from the point where an attack was detected.

General Edwards described briefly the main elements in the network, and expressed the opinion that much more could be done if systematic use were made of fishing fleets, merchant vessels, other aircraft, and similar possibilities.

Secretary Kyes then inquired as to the possibility that our intelligence might detect preparations for an attack and provide a few days' warning.

Mr. Allen Dulles replied that he did not think that we would get any prior warning through intelligence channels of a Soviet sneak attack. Certainly there could be no guaranty of any such warning.

Secretary Dulles thought that it might be possible that, prior to launching an attack, there would be sufficient signs and portents, including increasing tension, redeployment of military forces, and so forth, to provide a warning.

The President then asked General Edwards, in a facetious vein, why he and his committee had not turned themselves into Russians and tried to figure out what the Russians were thinking with regard to what the United States could do to them. They must be scared as hell, said the President.

General Edwards replied that this exercise was not included in the terms of reference of his report, but he had some ideas on the subject. They boiled down to this: that "any attack on the United States by the Soviets during this period would be an act of desperation and not an exercise of military judgment."

The President expressed complete agreement with General Edwards' statement, and Mr. Dulles observed that it agreed with our intelligence estimate.

The National Security Council: [3]

a. Noted the reference report on the subject (NSC 140/1) as revised by the reference memorandum of May 28, and as commented upon by the Joint Chiefs of Staff, the Central Intelligence Agency, the Interdepartmental Intelligence Conference, and the Interdepartmental Committee on Internal Security in the enclosures to the reference memorandum of June 1.

b. Discussed NSC 140/1 in the light of an oral briefing by Lieut. General Idwal H. Edwards, Chairman of the Special Evaluation Subcommittee of the NSC.

c. Noted that the NSC Planning Board has established a Continental Defense Committee to prepare not later than July 15, in the light of NSC 140/1, the Kelly report and other pertinent material, a report, with estimated costs, on present and planned continental defense programs and on proposed increases or changes in these programs; and also on appropriate organizational arrangements for continental defense.

. . . .

S. Everett Gleason

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[3] Paragraphs a–c constitute NSC Action No. 804. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

PPS files, lot 64 D 563, "Chronological, 1953"

Memorandum by the Director of the Policy Planning Staff (Bowie) to the Secretary of State [1]

TOP SECRET [Washington,] June 8, 1953.

1. NSC 153 [2] is the Planning Board's attempt to summarize, or restate, that basic national security policy which was contained in three NSC papers approved by the previous Administration (NSC 20/4, 68/2 and 135/3) as it has been modified by NSC 149/2 ("Basic National Security Policies and Programs in Relation to Their Costs"), approved on April 29 of this year. [3]

2. Whereas the emphasis of the first three papers was centered around the direct threat to our national security posed by the Soviet Union, NSC 149/2 placed greater emphasis on the threats to our economy of a long-sustained cold war and the necessity of balancing Federal expenditures with Federal income. The paper you

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[1] Drafted by Bowie and Harry H. Schwartz.

[2] Not printed; a copy of NSC 153, "Restatement of Basic National Security Policy," June 1, 1953, is in PPS files, lot 64 D 563, "Review of Basic National Policy." For text of NSC 153/1, June 10, see p. 378.

[3] For text of NSC 149/2, Apr. 29, see p. 305.

have before you, NSC 153, is, therefore, a summary in that it sets forth policies previously contained in four separate papers; it is a "restatement" in that it attempts to synthesize policies relating to an external threat on the one hand and an internal threat on the other. This paper is not the result of a restudy, or review, of basic policy by the Planning Board.

3. The paper is divided into three sections: General Considerations, General Objectives, and Courses of Action. It is in the first section that the attempt to synthesize past policy and NSC 149/2 is most evident, particularly paragraph 1 and those sentences of paragraph 4 at the top of page 4. Therein it is stated that we must continue to give primary emphasis to the threat of Soviet power and at the same time recognize that increased emphasis on sound fiscal policy may involve assuming increased risks in relation to this threat.

4. Under "General Objectives" the most important paragraph for Council consideration is 8e on page 6. This reads: "To prevent further expansion of Soviet bloc power, even at the grave risk of general war." We inserted a footnote to this paragraph on the same page as a means of insuring discussion of the issues involved. That footnote adequately explains the question.

5. The Courses of Action are a detailed spelling out of the general objectives. They are perhaps too detailed but appear to present no real difficulty.

6. The Annex, "U.S. Objectives vis-à-vis the USSR in the Event of War", [4] is lifted verbatim from NSC 20/4, which was approved in November 1948. This section was added to this paper at the request of the Joint Chiefs of Staff. Their war plans are based on these objectives; and numerous attempts have failed to date to produce more generally satisfactory war objectives.

7. In approving the paper, I recommend that you make clear that you are doing so in the knowledge that it represents simply a summary, or "restatement" of existing policies.

ROBERT R. BOWIE

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[4] For text of the Annex to NSC 153/1, see p. 386.

PPS files, lot 64 D 563, "Review of Basic National Policy"

Memorandum to the National Security Council by the Acting Executive Secretary (Gleason) [1]

TOP SECRET WASHINGTON, June 8, 1953.

Subject: Restatement of Basic National Security Policy

Reference: NSC 153 [2]

At the request of the Office of the Assistant Secretary of Defense the enclosed views of the Joint Chiefs of Staff with respect to the reference report on the subject are transmitted herewith for the information of the National Security Council in connection with its consideration of NSC 153 at its meeting on June 9.

S. EVERETT GLEASON

[Enclosure]

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson)

TOP SECRET WASHINGTON, June 5, 1953.

Subject: NSC 153—Restatement of Basic National Security Policy

1. In response to the request in your memorandum dated June 4, 1953, [3] subject as above, the Joint Chiefs of Staff have examined the draft statement of policy by the National Security Council Planning Board entitled "Restatement of Basic National Security Policy" (NSC 153) and submit the following views thereon.

2. The Joint Chiefs of Staff are in general agreement with those aspects of NSC 153 having military implications.

3. With respect to subparagraph 8–e and the footnote at the bottom of page 6 of the draft statement of policy, the Joint Chiefs of Staff consider that the general objective "To prevent further expansion of Soviet bloc power . . ." should not be qualified by the

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[1] Copies to the Secretary of the Treasury; the Directors of Defense Mobilization, the Bureau of the Budget, and Central Intelligence; the Chairmen of the Atomic Energy Commission and the Joint Chiefs of Staff; and the Federal Civil Defense Administrator. A covering memorandum by Christopher Van Hollen of the Executive Secretariat to Philip Watts of S/P and six others, dated June 9, reads: "attached for information are the JCS comments on NSC 153, which was considered by the Council on June 9, at which time a copy of this document was given to the Secretary at the Council meeting." For the memorandum of discussion at the 149th meeting of the NSC, June 9, see *infra*.

[2] See the memorandum from Bowie to the Secretary of State, *supra*.

[3] Not found in Department of State files.

limitation "in key areas." Accordingly, they would favor the adoption of subparagraph 8–e as now phrased.

4. The Joint Chiefs of Staff, from the military point of view, recommend that you concur in the adoption of the draft statement of policy contained in NSC 153.

For the Joint Chiefs of Staff:
J. LAWTON COLLINS
Chief of Staff, U.S. Army

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 149th Meeting of the National Security Council, Tuesday, June 9, 1953 [1]

[Extract]

TOP SECRET EYES ONLY

Present at the 149th meeting of the Council were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Deputy Secretary of Defense; and the Director for Mutual Security. Also present were the Secretary of the Treasury; the Director of Defense Mobilization; the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (Item 1); the Federal Civil Defense Administrator (Item 1); the Chairman, Federal Communications Commission (Item 2); the Telecommunications Adviser to the President (Item 2); General Collins for the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Robert Cutler, Special Assistant to the President; Lewis L. Strauss, Special Assistant to the President; C. D. Jackson, Special Assistant to the President; the Military Liaison Officer; Ralph Clark and J. J. Hitchcock, Central Intelligence Agency (Item 2); the Acting Executive Secretary, NSC; and Hugh D. Farley, NSC Special Staff Member.

There follows a summary of the discussion and the chief points taken at the meeting.

1. *Restatement of Basic National Security Policy* (NSC 153; [2] NSC Action No. 776–b; [3] memo for NSC from Acting Executive Secretary, same subject, dated June 8, 1953 [4])

Mr. Cutler traced the development of NSC 153 and earlier Council actions on this subject. He noted that, if adopted, NSC 153 would supersede all the earlier policy statements on this subject since the year 1948 and including NSC 149/2. However, he called the Council's attention to the fact that the present report contained an Annex listing United States objectives in the event of war with the Soviet Union, which had been taken from NSC 20/4. These objectives would accordingly remain valid, and the Planning Board had undertaken a reconsideration of them.

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[1] Drafted by Deputy Executive Secretary Gleason on June 11.

[2] See the memorandum from Bowie to the Secretary of State, June 8, p. 370.

[3] For NSC Action No. 776–b, see footnote 6, p. 304.

[4] *Supra.*

Mr. Cutler then read aloud to the members of the Council the General Considerations and General Objectives set forth in NSC 153, in the course of which he explained the difference of views with respect to paragraph 8-e. He noted that this split had been discussed with the President by himself and Mr. Gleason when they had briefed the President in preparation for this meeting. At that time the President had suggested the wording "to prevent significant forcible expansion of Soviet bloc power even at the grave risk of general war." The Planning Board had adopted the use of the word "significant", but were reluctant to accept the word "forcible", since the Planning Board believed that the addition of this word seriously weakened the objective because it might permit Soviet expansion in key areas through internal subversion as opposed to external aggression.

At this point, the President interposed to explain to the Council his reasons for suggesting the inclusion of the term "forcible". The point he was making, said the President, was that if some free world country, such as Italy, were actually to elect a Communist government, he did not see how we could do anything to prevent its exercise of power.

. . . .

Secretary Humphrey expressed his agreement with the President's view that if by a free election a country went Communist, the United States could not start a war.

Mr. Cutler, in reply, agreed with Secretary Humphrey's point, but insisted that in the contingency he was talking about, the United States might very well take certain measures which would involve serious risk of general war.

Secretary Dulles said that as he understood the objective set forth in paragraph 8-e, it meant that the United States would undertake certain efforts to prevent further significant expansion of Soviet power, even at the risk of war. This would not mean, however, that we would necessarily go to war, but rather that we would take actions which the Soviets, if they chose, could consider a *casus belli.* Secretary Dulles emphasized the great irritation which the Soviets had evinced when the NATO alliance was formed and when the Japanese Peace Treaty was signed. Despite their anger they had not, however, gone to war, and Secretary Dulles thought that the present paragraph should at least make it clear that the United States is not going to refrain from doing what it ought to do simply because certain of its actions might serve the Soviets as a pretext for war.

After further discussion and suggestions for rephrasing paragraph 8–e, Secretary Dulles read to the Council a version which he had written and which the President and the other members of the Council agreed to accept.

The President closed this phase of the discussion with a warning that the United States should not permit itself to be frozen to certain positions in advance of events. With respect to the contingencies involved in paragraph 8–e, the United States would have to decide its position in the light of the situation existing at the time.

After various other verbal changes had been made by the Council, Secretary Kyes said that he was unhappy about the phrasing of paragraph 11 as it applied to the development of an early warning system. It was not accurate to state that we should "accelerate" an early warning system, since the Defense Department had not yet reached firm conclusions as to the feasibility of an early warning system and the report of the Kelly Committee had indicated difficulties and delays in the creation of such a system. It was accordingly agreed to fall back on the language of NSC 149 and to substitute "emphasize" instead of "accelerate".

Governor Peterson then inquired of Secretary Kyes whether his comments on the Kelly Report must lead us to assume that it was impossible to achieve an effective early warning system.

Secretary Kyes replied in the negative, but again pointed out the unresolved problems in this area and his conviction that one could not accelerate something which had not yet come into existence. Secretary Kyes stated that the Defense Department strongly favored the creation of a sound system of early warning, but that he was very anxious that the new Joint Chiefs of Staff should review the whole problem of continental defense before the Defense Department went ahead with any specific program to achieve a given interval of early warning. There was still grave doubt in his mind as to whether it was right to single out and go ahead on the early warning component of continental defense, without synchronizing this with the remaining parts of a continental defense program.

Governor Peterson then turned to paragraph 12, dealing with non-military measures to strengthen the defense position of the United States, and read a suggested change in the wording of the paragraph. He felt it was not timely merely to go forward with preparations for reducing urban vulnerability, but that the time was at hand for a policy statement directing measures to reduce urban vulnerability. What he had in mind, said Governor Peterson, did not involve expenditures of Federal funds to disperse installations and lessen their vulnerability, but rather use by the Government of its very considerable financial power to gain compliance by the companies in reasonable dispersal of critical facilities. In short, if the owners of these facilities refused to cooperate with the Government, we could, for example, withhold defense contracts from them.

Reminding the Council of his considerable experience at the local level with problems like this, Secretary Kyes stressed his conviction that it would be a very dangerous policy to refuse defense contracts to companies who, for one reason or another, did not comply with this vulnerability policy. It was often impractical and wasteful to scatter the various component parts of an organization which produced defense products. A promotion campaign to stress the desirability, when practical, of dispersion was, in Secretary Kyes' mind, a far better means of reducing urban vulnerability than Governor Peterson's suggestion.

Governor Peterson replied that he was far from desiring to impose any impractical solution of this problem, but it seemed to him clear that we could no longer continue to pile up factories and populations in congested and exposed areas, and that there accordingly must be more dispersion.

Secretary Kyes replied that he certainly was a believer in dispersion, but at the same time was strongly opposed to dissipation. In the name of dispersion we have often set up facilities in remote areas which resulted in poor production and very high costs.

The President reminded Secretary Kyes that in the present situation it was unfortunately necessary to give up maximum efficiency of operation in order to obtain maximum security. This was a many-sided problem, and we must not oversimplify it. What we required in this paragraph was language which would show that in all facets of our life we are proposing to use the power of the Federal Government to get people to do the sensible thing. As the President understood it, this was what Governor Peterson wanted.

Secretary Kyes replied that he simply did not like the force idea with respect to defense contracts. He stated that the Defense Department would cooperate to the hilt with Governor Peterson to achieve a more positive approach to the problem of reducing urban vulnerability.

In turn, Governor Peterson expressed understanding of the difficulties which Secretary Kyes foresaw, and emphasized that what he sought in paragraph 12 was not a specific program of implementation, but merely a general policy statement as a guide. Once this policy statement had been made, he would do his best to implement it in a sound and sensible way.

After further discussion, Governor Stassen suggested the adoption of the statement proposed by Governor Peterson, subject to the inclusion of the word "feasible". The President and the Council agreed with this amendment.

Governor Stassen then suggested the inclusion of a new paragraph 31, which would give the necessary emphasis to the Secretary of State's desire to extend the good offices of the United States in helping to smooth the difficult relationships between some of our allies and their colonial or semi-colonial dependents.

Secretary Dulles pointed out that the United States must assert itself in order to assure an orderly evolution toward freedom for such peoples, and not appear to contradict its own traditions as a supporter of the *status quo.*

The President and the Council expressed approval of the idea advanced by Governor Stassen, and suggested that his draft language be checked with the Secretary of State and thereafter be included as a new paragraph 31.

The National Security Council: [5]

a. Adopted NSC 153 subject to the following amendments:

(1) Page 4, paragraph 6, line 5: Delete the word "national".

(2) Page 6, paragraph 8-e: Change to read as follows: "To prevent significant expansion of Soviet bloc power, even though in certain cases measures to this end may be used by the Soviet bloc as a pretext for war."

(3) Page 7, paragraph 10: Delete the phrase "under all foreseeable conditions".

(4) Page 7, paragraph 11: Change the first word, "accelerate", to "emphasize".

(5) Page 7, paragraph 12: Change to read as follows: "Strengthen the defense position of the United States by non-military measures, including development of a stronger civil defense, feasible reduction of urban vulnerability, and preparations to assure the continuity of government and essential production."

(6) Page 10: Insert a new paragraph 31 as follows and renumber the subsequent paragraphs accordingly: "Extend good offices where appropriate in resolving controversies between nations of the free world, in helping to adjust colonial and quasi-colonial relationships, and in moderating extreme nationalism, with a view to aiding the orderly self-development of the peoples of the free world rather than to preserving the *status quo.*"

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[5] Paragraph a and its subparagraphs constitute NSC Action No. 811. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

Note: NSC 153 as amended subsequently approved by the President and circulated as NSC 153/1.[6]

. . . .

S. EVERETT GLEASON

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[6] NSC 153/1 is printed *infra.*

S/S-NSC files, lot 63 D 351, NSC 153

Report to the National Security Council by the Executive Secretary (Lay)[1]

TOP SECRET
NSC 153/1

WASHINGTON, June 10, 1953.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON RESTATEMENT OF BASIC NATIONAL SECURITY POLICY

References:
- A. NSC Action Nos. 776–b and 811[2]
- B. NSC 20/4, NSC 68/2, NSC 135/3, NSC 149/2[3]
- C. NSC 79[4]

At the 149th Council meeting on June 9, 1953, the National Security Council and the Director, Bureau of the Budget, the Chairman, Atomic Energy Commission and the Federal Civil Defense Administrator adopted NSC 153 subject to the following amendments (NSC Action No. 811):

[Here follows a verbatim repetition of the amendments to NSC 153 adopted at the 149th meeting of the NSC, as printed in the memorandum of discussion, *supra.*]

The President has this date approved NSC 153, as amended and enclosed herewith as NSC 153/1, and directs its implementation by all appropriate Executive departments and agencies of the U.S. Government.

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[1] Copies to the Secretary of the Treasury; the Directors of Defense Mobilization, the Bureau of the Budget, and Central Intelligence; to the Chairmen of the Atomic Energy Commission and the Joint Chiefs of Staff; and to the Federal Civil Defense Administrator.

[2] For NSC Action No. 776–b, see footnote 6, p. 304; for NSC Action No. 811, see footnote 5, *supra.*

[3] For texts of NSC 20/4, "U.S. Objectives With Respect to the USSR To Counter Soviet Threats to U.S. Security," Nov. 24, 1948, see *Foreign Relations,* 1948, vol. I, Part 2, p. 662; NSC 68/2, "U.S. Objectives and Programs for National Security," Sept. 30, 1950, see *ibid.*, 1950 vol. I, p. 400; NSC 135/3, Sept. 25, 1952, see p. 142; NSC 149/2, Apr. 29, 1953, see p. 305.

[4] For text of NSC 79, "U.S. and Allied War Objectives in the Event of Global War," Aug. 25, 1950, see *Foreign Relations,* 1950, vol. I, p. 390.

The enclosed statement of policy summarizes and supersedes the basic national security policies contained in NSC 20/4, NSC 68/2, NSC 135/3 and Part I of 149/2. Continuation in effect of the Objectives in the Annex hereto is also intended to constitute for the time being a response to NSC 79.

The enclosed statement of policy consists of the following parts:

A. General Considerations .... Page 1
B. General Objectives .... Page 3
C. Courses of Action .... Page 5
D. Annex containing "U.S. Objectives vis-à-vis the USSR in the Event of War" as previously stated in NSC 20/4. Page 10

James S. Lay, Jr.

[Enclosure]

Statement of Policy by the National Security Council

TOP SECRET [Washington,] June 10, 1953.

Restatement of Basic National Security Policy

GENERAL CONSIDERATIONS

1. There are two principal threats to the survival of fundamental values and institutions of the United States:

a. The formidable power and aggressive policy of the communist world led by the USSR.
b. The serious weakening of the economy of the United States that may result from the cost of opposing the Soviet threat over a sustained period.

The basic problem facing the United States is to strike a proper balance between the risks arising from these two threats.

2. In recognition of the Soviet threat, the United States has been engaged in building up its own and free world strength, in order to block Soviet expansion, make possible an affirmative foreign policy, and deter general war, or if war comes, survive the initial shock and go on to victory. This policy is based on the premise that creation by the free world of situations of strength might lead the USSR to modify its behavior, and that eventually the internal conflicts of the Soviet totalitarian system, with positive effort from us,

might cause a retraction and decay of Soviet power. This policy rejects both preventive war and isolation.

3. A vital factor in the long-term survival of the free world is the maintenance by the United States of a sound, strong economy. Efforts to build up free world strength rapidly have resulted in a high rate of Federal spending in excess of Federal income, at a time of heavy taxation. Continuation of this course of action over a long period of time would place the United States in danger of seriously weakening its economy and destroying the values and institutions which it is seeking to maintain. Accordingly, in recognition of this danger, greater emphasis than heretofore must now be placed on budgetary, credit, and fiscal policies designed to maintain the strength and soundness of the U.S. economy. However, if a basic change in the world situation should occur, these policies would be subject to review.

4. This new emphasis does not imply a belief that the Soviet threat to the free world is diminishing. On the contrary:

> a. The Soviet orbit has formidable and growing military, economic, and political capabilities, including in particular an atomic capability and a possible thermonuclear capability which will probably become sufficient in the next few years to damage critically the United States and its allies.
>
> b. Although there is continuing danger of general war, the most immediate danger facing the United States is that a progressive and cumulative loss of positions of importance to the United States (either as a result of deterioration within the free nations, or of communist cold war actions, or of a process involving both) could eventually reduce the United States, short of general war, to an isolated and critically vulnerable position.
>
> c. The increasingly destructive power available to the Soviet Union, the development of over-all Soviet production potential, and the allocation by the USSR of a much greater proportion of its resources to war purposes, make it impossible for the free world to assign the same weight as in the past to its economic potential as the determining factor in final victory.
>
> d. In deciding whether or in what manner to exercise its capabilities, the USSR is not restrained by moral considerations, by constitutional procedures or by the necessity of consulting with allies.
>
> e. Although the USSR has recently assumed a more conciliatory posture in its dealings with the West, there is no basis for concluding that the fundamental hostility of the Kremlin toward the West has abated, that the ultimate objectives of the Soviet rulers have changed, or that the menace of communism to the free world has diminished.

Consequently the United States must continue to give primary consideration to the threat of Soviet power. But the threat to the U.S. economy cannot be neglected. At the same time, we must recognize that increased emphasis on sound fiscal policy may involve assuming increased risks in relation to the Soviet threat, and will therefore increase the importance of more careful balance and improved efficiency in the various national security programs.

5. The Soviet orbit also has marked disadvantages and vulnerabilities vis-à-vis the free world. Because the Soviet system relies heavily on falsehood, compulsion and rigid centralized control machinery, it has built up disillusionment and resentment in the USSR, and even more in the satellites. For some period of time, the difficulties and uncertainties involved in the transition from the old to the new regime will increase these and other vulnerabilities inherent in the Soviet system. The USSR is, and for the foreseeable future will remain, inferior to the free world in available resources and productive capacity. The Soviet orbit is also vulnerable to developing U.S. atomic and thermonuclear capabilities.

6. In the light of all these factors, the greatest safeguard to the security of the United States and the free world continues to be the achievement and maintenance of integrated political, military, and economic power providing the United States with an over-all strength sufficient, together with our spiritual determination, to deter or win general war, prevent or counter communist aggression, and permit the exploitation of Soviet bloc vulnerabilities.

GENERAL OBJECTIVES

7. One purpose underlies every national security policy: to maintain the fundamental values and institutions of the United States, which rest on the essential dignity and worth of the individual in a free society.

8. To achieve this fundamental purpose, in view of the dual threat facing us, we set the following objectives:

a. To create and maintain sufficient strength, both military and nonmilitary, to provide for the security of the United States, assist in the defense of vital areas of the free world, prevent or counter aggression, deter general war, protect the continental United States, and provide the basis for winning a general war if one should be forced on us.

b. To maintain a sound and strong U.S. economy based on free enterprise.

c. To maintain free U.S. political institutions supported by an informed public opinion.

d. To strengthen the will and ability of other nations of the free world, individually and collectively, to deter or oppose communist aggression and achieve internal stability.

e. To prevent significant expansion of Soviet bloc power, even though in certain cases measures to this end may be used by the Soviet bloc as a pretext for war.

f. To delay and disrupt the consolidation of Soviet bloc power and influence, and eventually to reduce such power and influence to a point which no longer constitutes a threat to our security, without unduly risking a general war.

g. To establish an international system based on freedom and justice as contemplated in the Charter of the United Nations.

h. To continue in effect U.S. objectives vis-à-vis the USSR in the event of war, as set forth in the Annex to this report.

COURSES OF ACTION

Maintenance of U.S. Strength

9. Achieve and maintain in readiness for as long as necessary to meet the Soviet threat, the military forces which will permit timely and effective military operations, in collaboration with our allies or alone, as an essential element in our efforts to:

a. Deter war;

b. Deter or counter peripheral aggression wherever and whenever necessary for U.S. security;

c. Provide a reasonable initial defense and an adequate basis for victory, in the event general war is forced upon us.

10. Develop and maintain an offensive capability, particularly the capability to inflict massive damage on Soviet war-making capacity, at a level that the Soviets must regard as an unacceptable risk in war.

11. Emphasize the development of a continental defense system, including early warning, adequate to prevent disaster and to make secure the mobilization base necessary to achieve U.S. victory in the event of general war.

12. Strengthen the defense position of the United States by nonmilitary measures, including development of a stronger civil defense, feasible reduction of urban vulnerability, and preparations to assure the continuity of government and essential production.

13. Maintain the security of defense positions outside the continental U.S. which are determined from time to time to be necessary to U.S. security.

14. Maintain superiority in quantity and quality of special weapons and sustain emphasis on scientific research and development.

15. Develop and maintain United States military forces and matériel stocks at levels adequate to meet the needs of United States security and capable of continued maintenance, but not designed to meet any assumed date of greatest danger.

16. Continue, for as long as necessary, a state of limited mobilization to develop military readiness, placing increased emphasis on development and maintenance of production plant capacity capable of rapid expansion or conversion to essential wartime output.

17. While lessening dependence on large reserve stocks of end items, create and maintain certain minimum essential reserve

stocks of end items to support effectively the war effort until war production reaches the required levels.

18. Maintain the stockpiling programs and provide additional producing facilities for those materials the shortage of which would critically affect essential defense programs, and reduce the goal or rates of acquisition of other stockpile materials in line with the policy of decreased emphasis on fixed target dates.

19. Assure internal security against covert attack, sabotage, and espionage, through methods consistent with the maintenance of a vital and democratic society.

Maintenance of the Economy

20. As rapidly as is consistent with continuing our leadership in the free world, and barring a basic change in the world situation, balance Federal expenditures with Federal income and maintain over-all credit and fiscal policies to assist in stabilizing the economy.

21. So long as there is war in Korea, do not substantially reduce the level of Federal taxation, although a change in form may be made.

22. Eliminate waste, duplication, and unnecessary overhead in the Federal Government.

23. Minimize Federal expenditures for programs that are not essential to the national security.

24. Maximize the economic potential of private enterprise by minimizing governmental controls and regulations, and by encouraging private enterprise to develop natural and technological resources (e.g., nuclear power).

25. Maintain a high level of economic activity at relatively stable price levels.

Maintenance of Free Political Institutions

26. Assure the vitality and soundness of our free, democratic institutions.

27. Undertake the clarification to the American people of the nature of the communist threat, and the spiritual and material resources which the free world possesses to meet that threat.

28. Build up a vigorous and informed public opinion, united in support of the measures necessary to meet the Soviet threat.

29. Provide appropriate safeguards against subversion, through methods consistent with the maintenance of a vital and democratic society.

Strengthening of the Free World (In addition to relevant courses of action in other sections)

30. Develop the political unity, strength, and determination of the free world by political and psychological measures designed to promote internal stability in critical areas, reduce communist and neutralist influence, combat anti-American propaganda, and encourage the adoption and support of policies consistent with our national policy.

31. Extend good offices where appropriate in resolving controversies between nations of the free world, in helping to adjust colonial and quasi-colonial relationships, and in moderating extreme nationalism, with a view to aiding the orderly self-development of the peoples of the free world rather than to preserving the *status quo*.

32. Encourage and assist the development of indigenous free world armed forces, and regional defense and collective security arrangements among free nations, capable of an increased share of responsibility in resisting local communist aggression.

33. Increase emphasis on aid to countries of the Far East and Middle East in the light of present threats to these countries.

34. Support and strengthen the NATO countries as a principal element in the world defense against communism; promote the establishment of NATO forces at levels maintainable over a period of time; and decrease emphasis on early fixed target dates for the attainment of such force levels.

35. Extend economic and military aid to free nations with due regard to their contributions to free world defense, their ability to use such aid effectively, and the effect of such aid on their political and economic stability.

36. Concentrate aid on vital free countries, helping the weakest to attain economic strength, and encouraging and enlisting the strong to maximize their carrying of their share of the over-all defense requirements.

37. Emphasize, in connection with the mutual security program, longer-term programs for improved planning, procurement and production base.

38. Increase emphasis on off-shore procurement of military material, designed to increase the capability of our allies to support their own defense.

39. Emphasize (a) sound and stable economies in the free nations, as well as increasing productivity; and (b) substantial, equitable defense contributions by each of the free nations.

40. Pursue international economic policies which stress trade, raw material development, increased capital investment by private enterprise, and sound financial relations.

41. Lower trade barriers and encourage reciprocal trade on a mutually favorable basis consistent with the over-all national interest.

Prevention of Soviet Expansion (In addition to relevant courses of action in other sections)

42. Develop and maintain our capability and willingness to commit appropriate forces and matériel in collective, and if necessary, unilateral action against local communist aggression in key areas.

43. Increase emphasis on: (a) bringing the Korean war to a final settlement acceptable to us; and (b) aiding in the prosecution of the war in Indo-China to a favorable conclusion, without direct intervention except possibly in the event of Chinese Communist aggression or of other basic change.

Reduction of Soviet Power (In addition to relevant courses of action in other sections)

44. Without taking undue risks, place the maximum strain on Soviet-satellite relations and try to weaken Soviet control over the satellite countries.

45. Utilize political, economic, propaganda, and paramilitary operations, including controls on East-West trade, against the USSR and the Soviet orbit, in order to delay the consolidation of Soviet bloc power, stimulate internal conflicts and reduce the Soviet bloc military and economic potential.

Establishment of International Order

46. Continue active participation and leadership in the United Nations for realization of the principles and purposes of the Charter.

47. Develop sound negotiating positions and be prepared to enter into negotiations with the USSR if they offer promise of achieving acceptable *modus vivendi*, or if, for other reasons, they appear to be desirable; but recognize that only enforceable agreements are meaningful and that the value of negotiation in the foreseeable future may be primarily to influence world opinion.

Annex

U.S. OBJECTIVES VIS-À-VIS THE USSR IN THE EVENT OF WAR

(The following paragraphs are taken verbatim from NSC 20/4, approved in November, 1948. These paragraphs are currently under review by the NSC Planning Board.)

1. In the event of war with the USSR we should endeavor by successful military and other operations to create conditions which would permit satisfactory accomplishment of U.S. objectives without a predetermined requirement for unconditional surrender. War aims supplemental to our peace-time aims should include:

a. Eliminating Soviet Russian domination in areas outside the borders of any Russian state allowed to exist after the war.

b. Destroying the structure of relationships by which leaders of the All-Union Communist Party have been able to exert moral and disciplinary authority over individual citizens, or groups of citizens, in countries not under communist control.

c. Assuring that any regime or regimes which may exist on traditional Russian territory in the aftermath of a war:

(1) Do not have sufficient military power to wage aggressive war.

(2) Impose nothing resembling the present iron curtain over contacts with the outside world.

d. In addition, if any Bolshevik regime is left in any part of the Soviet Union, insuring that it does not control enough of the military-industrial potential of the Soviet Union to enable it to wage war on comparable terms with any other regime or regimes which may exist on traditional Russian territory.

e. Seeking to create post-war conditions which will:

(1) Prevent the development of power relationships dangerous to the security of the United States and international peace.

(2) Be conducive to the successful development of an effective world organization based upon the purposes and principles of the United Nations.

(3) Permit the earliest practicable discontinuance within the United States of wartime controls.

2. In pursuing the above war aims, we should avoid making irrevocable or premature decisions or commitments respecting border rearrangements, administration of government within enemy territory, independence for national minorities, or post-war responsibility for the readjustment of the inevitable political, economic, and social dislocations resulting from the war.

S/S-NSC files, lot 66 D 148, "Solarium"

Memorandum for the Record by the Special Assistant to the President for National Security Affairs (Cutler)

TOP SECRET [WASHINGTON,] June 23, 1953.

I discussed with the President today the presentation of Solarium Project.

The President believes he will be back from Bermuda [1] not later than the morning of July 13. He therefore suggests, if the Solarium people are ready, the regular Council day of Thursday, July 16, be set apart for the Solarium presentation. I have asked Tom Stephens tentatively to reserve that entire day for this purpose.

The President wishes to begin at 8:30 a.m., to allow to each Team two hours for its presentation, to have a break between presentations, and a break for lunch, and to have all questions reserved until the conclusion. Thus the schedule would run something as follows:

8:30 to 10:30—Task Force A
10:30 to 10:45—Break
10:45 to 12:45—Task Force B
12:45 to 2:15—Luncheon
2:15 to 4:15—Task Force C
4:15 to 4:30—Break
4:30 and thereafter as long as might be needed: Questions

The President thought that if the Task Forces coordinated their presentations to some extent by reviewing them together before the presentation day, a lot of duplication could be avoided. He thought that two hours per Task Force would undoubtedly be sufficient time, because undoubtedly some of the material for each Task Force would be covered by the earlier Task Forces.

The President made a point that he wanted the maximum time for questions. He thought that if questions were permitted after each Task Force presentation, such questions would tend to cut into the later presentations.

I suggested to the President that we put the presentation on in the theater in the basement of the White House. He wanted to be sure that the room was airconditioned, and that there was a platform. He inquired whether they would want to use slides. Of course they will use a lot of charts and maps. I am not sure that the lighting is as good in the theater as it might be. I think I will inquire of the Usher as to what other large room might be available. There will be in attendance, in addition to the Council personnel, numbering normally about 13, three Task Force Teams totaling 21, and very likely 5 or 6 other persons, like General Craig, General Smith, Skip Koons, etc.

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[1] The proposed tripartite conference at Bermuda, scheduled for late June 1953, was postponed until December due to the illness of Prime Minister Churchill. See vol. v, Part 2, pp. 1710 ff.

I did not speak to the President about the desirability of giving luncheon to all of these people in the White House, in order that their ingress and outgo would not be noticed by people on the outside.

ROBERT CUTLER

PPS files, lot 64 D 563, "Review of Basic National Policy"

Notes Taken at the First Plenary Session of Project Solarium, Washington, June 26, 1953 [1]

TOP SECRET

PROJECT SOLARIUM; DEVELOPMENT OF VARIOUS TASK FORCES' THINKING AS EXPRESSED AT PLENARY SESSION JUNE 26, 1953

TASK FORCE A—MR. KENNAN

For Task Force A it is difficult, in fact not possible, to sponsor a course of action which would drastically alter present policies. We are fairly well bound to NSC 153/1. [2] We have studied the latter carefully and have come to the conclusion that a definite improvement in results can be achieved within this framework. We accept the general terms of the objectives. Whether or not time is on our side will be analyzed from various aspects but our position is generally that this concept only has meaning in terms of what we, the U.S., will do with it.

The continued maintenance of U.S. military strength to meet and deter Soviet threat will be proposed. War is not inevitable. It need not be regarded either as most likely or probable. Whether it is to come or not will depend much on our own action. Task Force A will not be able to come to grips with the budgetary problem as it relates to the foreign policy to be proposed, but will indicate certain studies which might be made by the Administration in order to make final decisions in this matter easier.

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[1] A covering memorandum by T. B. Koons of the Special Staff of the National Security Council to S. Everett Gleason, dated June 30, reads: "Attached please find notes taken at the first plenary session of Project Solarium of June 26, 1953. The purpose of the session was to enable each task force chairman to sum up in general the major themes they would develop. However, it should be noted that although this may be said to be a fairly good indication of the line which will be taken by each task force, there is considerable disagreement on many points between the members of the task forces and the chairmen, and accordingly the points made by the chairmen should not be considered as in any degree final or non-controversial ones."

[2] Dated June 10, p. 378.

On the question of the relation of our defense effort to domestic economic problems, the position will be stressed that the U.S. economy can stand for a considerable length of time a higher level of defense expenditures than the currently operative ones. If a higher level of defense spending is possible politically, it is possible economically.

The question of the maintenance of American free institutions will be discussed frankly. Greater frankness with the American people will be recommended. Emphasis [will be] on respectful and sympathetic treatment of our allies' problems. Attention called to the effect of our internal security measures on public opinion abroad. Modifications will be proposed.

On the problem of strengthening the free world, the danger of having blanket policies is to be noted. We must discriminate between countries and conditions.

Europe: Less pressure on the NATO nations to up their defense goals. (We can be more relaxed.)

Germany: A better U.S. stance on the unification of Germany issue, which may mean letting EDC die a quiet death. Then it will be necessary to create independent military strength in West Germany. Some constructive proposals on the long term economic and trade problems of Europe will be set forth.

France: A special approach to the French problem is needed due to the very bad effect which their current domestic and foreign policy is having.

East-West Trade: Relaxation of pressures but attempt to discourage by diplomatic efforts. Need to discover alternative patterns of trade as well as work against U.S. protectionism.

Asia: Korean war situation to be by-passed as evolving too rapidly. Strengthen the offshore positions of the U.S. (Japan, Philippines and Formosa). Allow Japan a certain amount of trade with China. Continue to treat China as an enemy as long as the Korean and Indo-Chinese situations are not very materially improved. Watch opportunities for inflicting a major political set-back to Communist China, though it is not yet possible to foresee how this may be done.

The Soviet Threat: Will question the wording of NSC 153/1 which seems to commit the U.S. to intervene everywhere. More freedom of action to be reserved to the U.S. The reduction of Soviet power is not to be emphasized, but the carrying of a propaganda offensive to the Kremlin aimed at questioning and revising their analysis of the U.S. and the West will be proposed.

Some ideas on using the UN better will be set forth. The question of negotiations with the USSR have not yet been discussed by the task force. With regard to the Soviet peace offensive the emphasis may be placed on the big responsibility of the U.S. not to appear as a result as the party that does not want an end to the Cold War.

Indo-China: The U.S. must try a policy which will ease the French out in a couple of years in order to develop indigenous forces as in Korea. The approach to the French should be a global one. We should help to ease their prestige problem.

TASK FORCE B—GENERAL MCCORMACK

B's approach will be a rather rigid one in order not to muddy the water between B and A. For the sake of clarity certain interpretations are put on the instructions. In the "completing the line" instruction the change is made by defining "General war" as war in which the full weight of U.S. resources is committed to securing the defeat of the Soviet bloc including the USSR, the Satellites, and Red China. Secondly, "to make clear to the Soviet rulers", this change of policy is understood to mean making "publicly" clear. Since one of the great assets of this policy is the stabilization it would bring to the U.S. and its allies, merely to inform the USSR secretly would not be satisfactory.

In general the line is moved up to the Soviet periphery. This gives a moral justification in reacting to aggression, leaving countries outside the line who have not yet fallen poses disturbing problems for those countries and is questionable morally.

The question of drawing a line to include only the minimum allies necessary to U.S. security will be investigated. However, it is felt that such a withdrawal and limitation of the line would be of little use. The present military capabilities of the U.S. depend much on overseas bases in foreign countries all over the world. The withdrawal of guarantees against aggression to these allies would perhaps mean a gain of political freedom to the U.S., but this would be more than offset if we lost the bases.

Economy Aspect.

It will be contended that alternative C will require much more money than the present level of expenditures but that B need not involve a necessarily higher level than A. Furthermore, B enables the creation of a greater regularity and rationality with regard to expenditures than A. There will be an economy in defense preparations since the military forces will be conserved as being the best forces to wage general war, i.e., not forces specialized to win war, say in Indo-China. There will be a much greater cohesion in the defense effort.

The policy is considered as being essentially a unilateral one. It will be discussed with our allies and every effort made to get them to go along with it, but the policy would be carried through regardless of their attitude.

The Task Force was instructed to examine the two world thesis. B's policy already puts a military seal around the Soviet Union but it is felt that an economic one will not work. The latter could at best only delay Soviet bloc economic build-up and would at the same time create too many difficulties to be feasible.

Alternative B is envisaged as the policy least likely to cause general war. Illustration: Peripheral wars (Korea, Indo-China) can happen under A; under B they cannot. Under B you need only small forces along the actual periphery to maintain some semblance of order. Task Force B will probably take the attitude that the U.S. does have the preponderance of force now and can continue to maintain it without denying that the Soviets can improve relatively their position.

Colonel Bonesteel: What if they call our bluff and do move: how do you convince the American people and the U.S. Congress to declare war?

General McCormack: This is a problem. But it must be a sober and irrevocable commitment by the U.S. to make war immediately.

Afghanistan: Here the U.S. would reserve freedom of action. General McCormack stated that in some places the line might "ebb and flow" a bit as situations changed. The essence of Policy B is that it adds to Policy A the sanction of general war. Mr. Kennan remarked that general war was not excluded from the considerations of A. General McCormack replied that the principle was different. B involved a commitment and "a clear warning" of general war.

It is felt probable that the NATO nations would fall into line since it is doubtful that there would not be some NATO nation which would demand resistance to aggression if the line was crossed. Any nation so wobbly as not to follow such a policy most probably is doomed to fall off our band wagon sooner or later anyway. Policy B gives the best chances that war will be deterred for the longest possible time.

Impossible at the minute to apply it to Korea or Indo-China but "our policy doesn't make these questions any more difficult to answer than do the other policies".

TASK FORCE C—ADMIRAL CONOLLY

Admits that Task Force C is somewhat behind the others, particularly in getting things on paper.

The Soviet threat will be assessed and it will be concluded that the U.S. cannot live with the Soviet Union if the latter's present increasing strength continues. Hence, this strength will be attacked with the objective of its reduction. Provided our military posture is strong enough no overwhelming risks of general war are envisaged. The initiative must be seized and general political warfare conducted on the Soviet Union. There are two basic requirements: an adequate military posture (build-up); the preparation of public opinion, Congress, leadership, and our allies to go along with such a policy. Our reward in the results cannot be calculated in terms of economic cost. In starting this campaign in general our war objectives as set forth in 153/1 are accepted with some modification. The time period envisaged is 10 years, which does not mean that we would have been successful at the end of this time, but that we would be at least in a position where we could see the end of the task. At some time during this period before the enemy has the maximum atomic potential the tempo of our attack must increase in order to turn the tide. Chiang Kai-shek [3] would be built up so he can prepare to capture Hainan and help insure the success of an operation to clean out Indo-China. An attempt will be made to drive a wedge between China and the USSR. The former will be blockaded and other measures will be used in order to make China an expensive ally to the USSR and to make it painful for China.

As regards Korea, Task Force C's position is generally one that they hope the hostilities would continue since then they would be enabled to recommend a final offensive to conclude the war on the Yalu and/or to destroy and capture in Korea a large part of the Chinese army and its supplies. C would also make some use of B's technique of threatening the sanction of general war.

As regards negotiations with the Soviet Union, Task Force C will not accept the sincerity of any offers of the Soviets short of those fulfilling U.S. war aims as set forth in NSC 153/1.

U.S. Allies: Admits they have to be brought along one way or another. Have thought of invoking sanctions on them but it is hoped that with the initial success of the policy more support would be forthcoming from the allies and others, and eventually this support would snowball as the Soviets retreated. No offensive action to be taken until adequate defense posture achieved to enable successful prosecution of a general war. B's assumption about eliminating peripheral wars is questioned. Undoubtedly any general war would involve peripheral wars (theaters of minor operations).

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[3] Generalissimo Chiang Kai-shek, President of the Republic of China.

The implementation of this policy in the U.S. Government requires the ability to act and respond quickly with much more vigor and rapid pace than is now the case. The U.S. will want to be prepared for a "break through", and be able to react in hours, not days. The military build-up of the U.S. should be predicated on the assumption that this program can be completed in 10 years but at the end of that time, success can be foreseen in the not too distant future. On the other hand, the time might be less since it is possible that after the first set-backs, Soviet power might become demoralized and rapidly collapse.

Task Force C denies the assertion that the internal threat is of equal gravity to the external threat.

Mr. Kennan remarked that A has the right to do all these things under NSC 153/1. Admiral Conolly replied that C would assume the risk of general war much more than A, and that furthermore, they were trying to carry out—not the peace aims, but the war aims of NSC 153/1.

Editorial Note

On January 24, President Eisenhower created a Committee on International Information Activities and directed it to "make a survey and evaluation of the international information policies and activities of the Executive Branch of Government and of policies and activities related thereto, with particular reference to the international relations and the national security of this country." The Committee was composed of the following individuals: William H. Jackson (chairman), Robert Cutler, Gordon Gray, Barklie McKee Henry, John C. Hughes, C.D. Jackson, Roger M. Kyes, and Sigurd Larmon.

The "Jackson Committee", as it soon came to be known, interpreted its mandate very broadly and, after some months of closed door hearings and testimony by various government officials, submitted a 125-page report on June 30, 1953 which dealt in detail with such diverse topics as the nature of the Soviet threat, overt and covert operations against the Soviet system, propaganda and information activities in the United States and throughout the "Free World", and recommendations for a more unified effort in the broad fields of national security policy and international information activities. For the text of this report, see page 1795.

Editorial Note

On July 14, President Eisenhower met with the Joint Chiefs of Staff-designates, Secretary of Defense Charles E. Wilson, and Deputy Secretary of Defense Roger M. Kyes. (Eisenhower Library, Eisenhower records, "Daily Appointments, 1953") The following is General Ridgway's subsequent account:

"The four men were called to the White House for a meeting with Eisenhower. The meeting lasted for perhaps half an hour. Succinctly, the President outlined his ideas. He had brought us back a month early, he said, because he thought it was extremely important for us to make a tour together of the major institutions of the armed forces, including the great atomic energy plants. He wanted us thoroughly to familiarize ourselves with the entire military establishment. With this background of information, he then wanted us to make a completely new, fresh survey of our military capabilities in light of our global commitments. He stressed the fact that he did not want a long exhaustive staff study. He recognized our great collective experience, he said, and what he wanted from us was our own individual views, honestly and forthrightly stated." (Matthew B. Ridgway, as told to Harold H. Martin, *Soldier*, page 267. No record of this meeting has been found in Department of State files.)

For Admiral Radford's memoir account of aspects of his term of service as Chairman of the Joint Chiefs of Staff, with special reference to the modification of overall national defense strategy in 1953, see *From Pearl Harbor to Vietnam: The Memoirs of Admiral Arthur W. Radford*, edited by Stephen Jurika, Jr. (Stanford, California, Hoover Institution Press, 1980), pages 317-338.

Eisenhower Library, Eisenhower papers, Whitman file

Minutes of the 155th Meeting of the National Security Council, Thursday, July 16, 1953 [1]

TOP SECRET

MEMBERS PRESENT

The President of the United States, Presiding

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[1] No memorandum of discussion of this meeting has been found. Copies of the minutes of those NSC meetings held during the Presidency of Dwight D. Eisenhower are filed in the Eisenhower Library, Eisenhower papers, Whitman file. They consist of a list of those present along with a record of decisions reached and therefore are much less complete in their coverage than the memoranda of discussion. Although frequent allusion is made in the memoranda of discussion to documents and papers filed with the minutes of a given NSC meeting, such documents have generally not been found with the minutes.

The Vice President of the United States
John Foster Dulles, Secretary of State
Charles E. Wilson, Secretary of Defense
Harold E. Stassen, Director for Mutual Security
Arthur S. Flemming, Director, Office of Defense Mobilization

OTHERS PRESENT

George E. Humphrey, Secretary of the Treasury
Herbert Brownell, Jr., Attorney General
Joseph M. Dodge, Director, Bureau of the Budget
Lewis L. Strauss, Chairman, Atomic Energy Commission
Walter B. Smith, Under Secretary of State
Roger M. Kyes, Deputy Secretary of Defense
Robert T. Stevens, Secretary of the Army
Robert B. Anderson, Secretary of the Navy
Harold E. Talbott, Secretary of the Air Force
General Omar N. Bradley, Chairman, Joint Chiefs of Staff
Admiral Arthur W. Radford, USN
General J. Lawton Collins, USA
General Matthew B. Ridgway, USA
Admiral William M. Fechteler, USN
Admiral Robert B. Carney, USN
General Nathan F. Twining, USAF
Allen W. Dulles, Director of Central Intelligence
Robert Cutler, Special Assistant to the President
C.D. Jackson, Special Assistant to the President
Colonel Paul T. Carroll, Acting White House Staff Secretary

SECRETARIAT

James S. Lay, Jr., Executive Secretary
S. Everett Gleason, Deputy Executive Secretary
T.B. Koons, NSC Special Staff Member

Task Force A:
- George F. Kennan
- Colonel C.H. Bonesteel
- Rear Admiral H.P. Smith
- Colonel G.A. Lincoln
- C.T. Wood
- J. Maury
- Captain H.S. Sears, USN

Task Force B:
- Major General J. McCormack
- Major General J.R. Deane
- J.K. Penfield

P.E. Mosely
Calvin Hoover
J.C. Campbell
Colonel E.S. Ligon

Task Force C:

Admiral R.L. Conolly
Lieut. General L.L. Lemnitzer
G.F. Reinhardt
Colonel K. Johnston
Colonel A.J. Goodpaster
Leslie Brady
Colonel H.K. Johnston

Lieut. General H.A. Craig, War College
Colonel V.J. Esposito, War College
Colonel R. Hackett, War College

Robert R. Bowie, Department of State
Frank C. Nash, Department of Defense
Brig. General F.N. Roberts, Office of Director for Mutual Security
William Y. Elliott, Office of Defense Mobilization
Elbert P. Tuttle, Department of the Treasury
Major General John K. Gerhart, USAF, Joint Chiefs of Staff
Robert Amory, Jr., Central Intelligence Agency

DECISIONS [2]

Project Solarium

a. Noted and discussed oral presentations on three alternative basic national security policies, by the Task Forces constituted under Project Solarium.

b. Noted the President's remarks on the presentations, including the great importance he attaches to the work of Project Solarium and his commendation on the excellence of the presentations by the Task Forces.

c. Referred the presentations, and the reports upon which they were based, to the NSC Staff for preparation of summaries of the principal points thereof, in consultation with members of each Task Force, and report back to the Council for further consideration and instructions. [3]

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[2] Paragraphs a–c constitute NSC Action No. 853. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

[3] Copies of the three Project Solarium reports are in the Eisenhower Library, Office of the Special Assistant to the President for National Security Affairs files, 1952–61. See the memorandum by Lay to the National Security Council enclosing the NSC Staff Summaries of the Solarium reports, *infra*.

[Annex]

Memorandum by the Special Assistant to the President for National Security Affairs (Cutler)

TOP SECRET [WASHINGTON,] July 16, 1953.

PROJECT SOLARIUM

I. At the conclusion of the question period the President made a statement to all those in attendance:

1) He never attended a better or more persuasively presented staff job.
2) He thought that there were many similarities in the three presentations, which he felt more important than the differences between them.
3) He thought that the only thing worse than losing a global war was winning one; that there would be no individual freedom after the next global war.
4) If you demand of a free people over a long period of time more than they want to give, you can obtain what you want only by using more and more controls; and the more you do this, the more you lose the individual liberty which you are trying to save and become a garrison state (American model).
5) The American people have demonstrated their reluctance after a war is ended to take the necessary action properly to occupy the territory conquered in order to gain our legitimate ends. What would we do with Russia, if we should win in a global war?
6) The United States has to persuade her allies to go along with her, because our forward bases are in the territories of our allies.
7) If we are to obtain more money in taxes, there must be a vigorous campaign to educate the people—and to educate the people of our allies.

The President indicated that there was still more for the Task Forces to do:

a) a mass meeting of the Task Forces to see if they could agree on certain features of the three presentations as the best features and to bring about a combination of such features into a unified policy.
b) consider arranging a presentation to Congressional leaders, recognizing that certain parts would have to be sanitized.
c) prepare an outline of a major policy plan to be adopted.

II. At a joint meeting with the Task Forces after the President left:

i) The Task Forces (especially A and C) were in strong disagreement. The bases upon which each approached the problems differed; the Teams differed on the intentions and objectives of the Russians. While there were external similarities, they knew from 6 weeks' association that they could not agree. It was not only that they were tired and had over-delayed commitments, some of them; there were fundamental differences which could be compromised into a watered-down position but not really agreed to.

ii) As to presenting to Congress the material, Admiral Conolly said that it would be necessary to sanitize his presentation 90% and take all the specific validity out of it. General McCormack indicated that it would be necessary to sanitize the basic conception of his paper—drawing a line around Russia.

III. When I reported this back to the President, he seemed very put out and left it to me to work out what I thought best. He told me to tell the Vice President not to go forward with the presentation of the facts and left me the working out of the other details. These matters will be worked out accordingly as follows:

1. The Special Staff of the National Security Council will make a summary of the principal points in three presentations and in the question and answer period.

2. On July 21, if possible, selected personnel from each Task Force will review the summary for correctness, improvement, and uniformity. Mr. Koons is obtaining from each Task Force Captain the availability of the members of each Task Force. Apparently, there will be 3 to 5 members of each Task Force constantly available in Washington.

3. The summary, as thus corrected, will be presented to the Council at its meeting on July 23; with a request that it be studied by the Council members and their NSC Assistants so that at the Council Meeting on July 30, the subject-matter could be discussed with a view toward,

> a. designating the areas which the Council wishes to have worked on further, and
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> b. directing the Planning Board to prepare recommendations in those areas.

The Planning Board, in preparing these recommendations would utilize the services of Task Force Members available in Washington. [4]

Robert Cutler

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[4] At its 156th meeting on July 23, the National Security Council noted that the summaries were being circulated as the basis for discussion at the 157th NSC meeting on July 30. A copy of the memorandum of discussion at the 156th meeting of the NSC is in the Eisenhower Library, Eisenhower papers, Whitman file. For pertinent extracts from the memorandum of discussion at the 157th NSC meeting, see p. 435.

S/S-NSC files, lot 66 D 148, "Solarium"

Memorandum to the National Security Council by the Executive Secretary (Lay) [1]

TOP SECRET

WASHINGTON, July 22, 1953.

Subject: Project Solarium

Reference: NSC Action No. 853-c [2]

In accordance with NSC Action No. 853-c, summaries of Project Solarium presentations and written reports, prepared by the NSC staff and concurred in by Solarium Task Force representatives, are submitted herewith as a basis for discussion by the Council at its meeting on July 30, together with a summary of the principal points made during discussion following the presentation to the National Security Council on July 16, 1953.

As background, there follows a brief summary of the instructions to the Task Forces defining the three alternative policies which they were asked to develop:

[Here follow summary instructions which appear at the beginning of the summaries of the Task Force presentations included in the enclosure.]

[Enclosure]

Summaries Prepared by the NSC Staff of Project Solarium Presentations and Written Reports

TOP SECRET

[WASHINGTON, undated.]

TASK FORCE A

1. Mission

a. As directed, the policy of the U.S. would be:

(1) To maintain over a sustained period armed forces to provide for the security of the United States and to assist in the defense of vital areas of the free world;

(2) To continue to assist in building up the economic and military strength and cohesion of the free world; and

(3) Without materially increasing the risk of general war, to continue to exploit the vulnerabilities of the Soviets and their satellites by political, economic and psychological measures.

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[1] Copies to the Secretary of the Treasury, the Attorney General, the Directors of the Bureau of the Budget and Central Intelligence, and the Chairmen of the Joint Chiefs of Staff and the Atomic Energy Commission.

[2] For NSC Action No. 853-c, see footnote 2, *supra*.

b. For purposes of analysis and study by the Task Force, it is assumed that this policy would be interpreted and administered on the following bases:

(1) Time can be used to the advantage of the free world; if we can build up and maintain the strength of the free world during a period of years, Soviet power will deteriorate or relatively decline to a point which no longer constitutes a threat to the security of the United States and to world peace.

(2) In seeking to deter and oppose further expansion by the Soviet bloc, the policy would include the utilization of military operations, as necessary and feasible, even at the grave risk of general war. However, an attempt would be made to localize such military operations as far as possible.

2. Method of Approach

Task Force A arrived at the conclusion that there are areas in which significant improvements could be made within the framework of NSC 153/1. [3] The Task Force believed that we have reached a critical point in the application of our grand strategy, and in the Soviet situation, which marks a phase line. Task Force A believes the U.S. is today in a position to assume the strategic offensive in its conflict with Soviet Communism. The U.S. should move forward from today's phase line to rectify imperfections in our strategy; give it new confidence, boldness and constructiveness; recapture flexibility; effect better integration; and improve implementation. It is felt that the policy thus revised would give the greatest assurance as against other possible alternatives for the successful disintegration of the Soviet threat without recourse to general war, and without increasing the risk of general war.

3. Analysis of the Soviet Threat

The Soviet Union has developed a strong and dangerous military posture serving political leadership we recognize as hostile, resentful of American power, dedicated to aims incompatible with our security. The threatening quality of this military posture arises from the strength and disposition of these forces, coupled with the attitude of the Soviet political leaders, and above all, their ideological commitment to the destruction of western capitalism in processes which involve at some point the use of violence. Soviet predominance in eastern and central Europe makes impossible a restoration of normal conditions of full stability to Europe as a whole, and has contributed extensively to the development of the military posture we find disturbing. Furthermore, the possibility exists that additional nations will be brought under communist control through the activities of indigenous communist factions, acting with or without overt support from Moscow. In addition to the military threat posed by conventional Soviet armaments there is increasing evidence that the Soviet Union is developing a strong capability in the field of weapons of mass destruction. If this process continues unimpeded, the Soviet leaders will soon have it in their power to inflict massive damage on the cities, industries and facilities of this country and its major allies, although presumably not without suffering retaliation in kind.

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[3] Dated June 10, p. 378.

4. Basic Objectives of U.S. Policy vis-à-vis the Soviet Threat

a. Assure the security of our country in the light of the Soviet military posture.

b. Prevent further Soviet expansion through seizure of additional countries by local communist minorities.

c. Reduce the area under Soviet control, first and foremost in the satellite area in central and eastern Europe. In addition, in the long term, bring about a situation in which China would no longer be dominated by a regime allied with Moscow in a framework of ideology hostile to the U.S.

5. Suggested U.S. Policy with regard to the USSR

"With the assistance of Allies to achieve through progressive steps and without undue risk of war, but recognizing that the threat of war must not inhibit our unfolding courses of action, a stop to Soviet expansion; the diminution and progressive retraction of Soviet control over its East European Satellites and Red China; the discrediting of Soviet power and Communist ideology as effective instruments of Soviet foreign policy; and a maximum contribution to the increase in internal stresses and conflicts within the Soviet system; to the end that the Soviet rulers will be forced to accept the necessity of adjusting their objectives to those of peaceful co-existence with the free world."

6. Other Elements in the World Situation

There are two other basic factors in the situation which must be considered. One is the rising discontent and resentment against the West, particularly in Asia, and the demands for rapid social and economic change which characterize the so-called socio-economic "revolution" which exists throughout the world. This exists quite apart from Soviet-Communist threat but is effectively exploited by Communism. The second is the reduction of the bi-polarity which has dominated the world situation since 1945, and is indicated by a decline in U.S. prestige and leadership during the past several years, growing independence of action by other free nations and, on the Soviet side, developments which have had a somewhat comparable effect in weakening Moscow's range of influence. Both of these considerations must be met with positive and constructive policies which utilize, rather than oppose them. They point to the crucial importance which may attach to courses of U.S. action in the immediately forthcoming period. Thus Task Force A sees, in this regard:

a. As the first principle, the U.S. to avoid policies which give impression it is solely pursuing aims which have essentially wartime objectives and that it feels war is inevitable;
b. As the second principle, the U.S. to create the impression of steadiness and reliability in formulation and implementation of foreign policy; and
c. As the third principle, the positive emphasis of U.S. policy to be placed on strengthening U.S. position with other free world countries and in the creation of strength and confidence in free world.

7. Courses of Action Proposed

a. Maintenance of U.S. strength

The risk of general war is not high. Acceptance, however, of a calculated risk that the Soviet Union will not resort to war, which would lead to a reduction in our defense establishment cannot be accepted. Our military program should continue to be related to Soviet military capabilities for general war, and not become captive to the zigzags of Soviet political policy. The Task Force came to the tentative conclusion in regard to present mobilization plans that the portion of the economy proposed for allocation to the war effort in the event of full mobilization is too high to be realistic (a peak of 66 percent of the gross national product) and recommended study by the responsible agencies.

b. Peripheral war may be increasingly unlikely in the near and mid-term future. However, U.S. efforts to prepare military, political and psychological deterrents to aggression should include:

(1) Considering the question of announcing that the U.S. will feel free to use atomic weapons in case of local aggression in the future and,
(2) Emphasizing the development of indigenous forces capable of maintaining internal order within countries which are likely targets.

c. There is need to generate increased public understanding on the vital importance today of military power as an instrument of policy for peace, its deterrent value and its confidence building aspects.

d. NSC 153/1 courses of action to support the objectives of military preparedness are accepted in general with the following additional recommendations:

(1) It will be necessary to commit resources not yet programmed for security purposes in order to build up the continental defense of the U.S. rapidly.

(2) The possibility that our governmental processes may inhibit a policy of immediate retaliatory action in an atomic war should be studied.

(3) The external political-military aspect, with particular reference to western Europe, of the effect of Soviet possession of a massive destructive capability in time of tension approaching a war crisis should be studied.

(4) The danger of disruption of our civilian population through mass exodus from target areas in time of rising tension with Russia should be investigated.

(5) A new over-all look should be taken at the whole impact of special weapons on our security program (including mobilization base, manpower reserves, civilian defense, etc.) from the standpoint of 5 or more years from now.

(6) NSC 153/1 is defective in providing a human resources policy. Such should be given status by the NSC of the same order as policy concerning industrial resources.

(7) NSC 153/1 is unclear as to the extent the U.S. security program and policies depend on allies.

(8) Study should be initiated to include:

a. Clearer determination of the extent of the dependence of our over-all security program on allies.

b. Continuation of the stress in our forward strategy of collective security.

c. Recognition of, and establishment of U.S. policy regarding, the dependence of our allies upon us for maintenance and replacement of equipment in peacetime.

d. Face up to the very substantial logistical dependence of our allies on the U.S. in case war should come and a balancing of our programs and plans accordingly.

8. Costs

a. The main internal threat seen by Task Force A is the danger of lack of constancy in our security program. A creeping disarmament might prove even more dangerous than was the outcome of post World War II demobilization. Positive actions must be initiated to draw public support so as to link various components of the Soviet threat with the services, sacrifices, tax-payments, etc., which the U.S. people need to provide to meet that threat.

b. It is difficult to see how the military build-up of ourselves and our allies programmed until the end of last year can in fact be effected under current forward budget planning.

c. Out of a summation of those factors which are likely to add up to an increase, it is estimated that the cost of Task Force A's course of national policy will exceed *during the build-up period* the funds allocated to the security program as currently contemplated in the most recent budget planning.

d. *In the long run* the Task Force program will cost not materially less than about 40 billion annually and may be somewhat higher. There appears no other realistic solution than to maintain a see-through constancy of preparedness until we have had a long continued demonstration that the spirit and intent of Soviet communism has changed—or even longer, until we effectively regulate armaments.

9. Maintenance of the Economy

a. After studying the ability of the economy to sustain the security load, Task Force A concludes that there is no question that our country has the *economic capacity* to provide a high plateau of preparedness—certainly the program envisaged by Task Force A—over a sustained period (interpreted as 10 years or more).

b. The real threat from the economic standpoint, arises not so much from the absolute cost of security as from other dangers which include:

(1) The effect on adequate legislative action of the unprecedented absolute cost of the peacetime security program.
(2) The effect of possible economic recession.
(3) Lack of economic readiness for mobilization, general war, and atomic attack on the U.S.

c. NSC 153/1 fails to provide directives or policy guidance for those preparatory economic and industrial mobilization arrangements within the executive branch which are consistent with its stated policy of military readiness.

d. On the national debt, the main question is whether it is likely to become so high as to be a threat to the strength of the U.S., but any likely threat existent in the debt does not seem comparable to the Soviet threat.

e. It is seriously questioned that in the face of an unbalanced budget and the current security need in an economy operating at around full normal capacity, there is any urgent economic argument for reducing the total of federal taxes. The continuation of taxes at the present or higher levels is recommended. The U.S. seems certainly to have the tax structure, debt situation, and general fiscal capability to *sustain* the security load which seems likely under the program of Task Force A. The tax problem appears to be primarily a political and psychological problem. This makes it part of the problem of gaining public support for an adequate program for security.

f. It is questioned that the economic policy expressed in NSC 153/1 is based on a completely correct estimate of the true nature of the economic threat to the U.S. way of life under the policy contained in that paper. It is recommended that the economic portions of NSC 153/1 be restudied.

10. Maintenance of Free Political Institutions

a. U.S. objectives in this field should continue to be:

(1) The assurance of the vitality and soundness of our own institutions.

(2) The creation of adequate public understanding and support for our policies with relation to Soviet power, and

(3) The provision of appropriate safe-guards against subversion through methods consistent with the maintenance of a vital and democratic system.

b. There is considerable apprehension abroad that American governmental processes and public life are falling extensively under the influence of psychological and political trends which Europeans regard as totalitarian in nature. It is felt that the full significance of this development has not yet been generally appreciated by our government and public. Unless a drastic reversal of this impression can be achieved the long-term psychological consequences must be expected to be extremely serious; so much so as to nullify a good portion of whatever positive measures the U.S. Government may take to offset the Soviet danger.

11. Strengthening the Free World

a. Success in strengthening the free world is of an especially great significance in the case of the national policy supported by Task Force A, because there is much less of the element of unilateral U.S. action involved than in the suggestions made by other Task Forces.

b. Task Force A's case rests on a proposition that the free world can construct a system far superior than that of our enemies. If it is done while maintaining the necessary posture of military strength, the back of the Soviet problem will be broken.

c. Major Courses of Action:

(1) A strong drive to develop a greater sense of common purpose and mutual interest with countries outside the Soviet Orbit.

(a) Repose an increasing degree of responsibility on our NATO allies to determine what they are prepared to do for their own defense.

(b) Promote economic expansion by trade liberalization in Western Europe, off-shore procurement of military end items, interchange of technical know-how, stimulation of American private investment, and maximum use of the International Bank and the Export-Import Bank.

(c) Develop a dramatic concept, inspiring to both industrialized and underdeveloped countries, and involving private initiative, to establish programs for the economic development of materials and markets in underdeveloped areas.

(d) Review and revise East-West Trade policies. Substantially the same course is recommended as that outlined in Alternative 4 of NSC 152[4] except as to the policy to be applied to communist China.

(e) Make a major effort to reduce and liberalize barriers to imports into the U.S.

(2) A more selective approach to building strength in the Far East and the Middle East.

(a) Many of the countries in these areas do not posses the ingredients from which strength can be built.

(b) A few of them do possess the necessary potential. We should therefore concentrate on making the most of the potentialities of such countries.

(3) A vigorous attack on the most troublesome situations which are blocking progress to strengthen the free world.

(a) *Free Europe*. An integrated foreign policy with regard to Western Europe is recommended as a vital component of an effective national strategy for the U.S. to meet and thwart Soviet designs.

(b) *Germany*. The future of Germany is, in a large part, the determinant of the future of Europe. A new approach to the problem of German reunification is recommended which can exploit and intensify present Soviet internal stresses and achieve, in due course, the first major roll back of Soviet hegemony over Eastern Europe. Specifically, the Task Force proposes the following course of action, in three parts:

> i. As first part, the preparation, as a matter of urgency, of a strong and plausible U.S. negotiating position on the reunification of Germany in which our stated negotiating objectives are:
>
> (A) A reunified, sovereign, independent Germany with a democratic form of government.
>
> (B) The provision of realistic safeguards to prevent the Soviet-Communists from holding any abnormal advantages over the West in respect to Germany.
>
> (C) The provision for Germany to have military forces except for any form of atomic or other weapons of mass destruction.
>
> (D) As a maximum position, the removal of all foreign occupation forces from Germany, or as a minimum position the concentration of foreign forces in enclaves capable of direct supply by sea.
>
> (E) Discussion of and conclusion if possible of an Austrian peace treaty (with its implications for the Soviet military position in Hungary and Roumania) and discussion aimed at withdrawal of Soviet forces in Poland.

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[4] Dated May 25; see vol. I, Part 2, p. 968.

(F) Intention to maintain closest contact with West German opinion and to have West and East German representatives participate in the negotiations among the four powers.

ii. As the second part, the disclosure and advocacy of this position, first with the British and French Governments, next with the German Government and leaders of important parties, and finally, with the Soviet Government at the coming Four Power Meeting this autumn.

iii. As third part, independent of but concurrent with the steps regarding reunification, efforts to effect the early and direct rearmament of West Germany. In order not to prejudice negotiations for reunification, this rearmament should take place outside the EDC and outside NATO, but with the concurrence of the NATO Council.

(c) *France.* The weakness and unsatisfactory performance of France lies at the root of many of most serious problems faced by the U.S. in Europe. This has not been adequately faced by the Government in the past. As a major and urgent recommendation, it is suggested that U.S. policy should be to repose responsibility on France, and to initiate this policy by removing, progressively and tactfully, the support from the U.S. to which she now looks to bail her out of perennial crises. There should be a carefully worked out course which focuses world opinion at French responsibilities; informs France of our intent gradually to cease supporting French overcommitments; makes clear our intent to regain independence of U.S. action now inhibited by French fears; but stresses our intent to continue to help France in situations she cannot realistically meet alone. High level discussions are needed.

(d) *Weakening of U.S. Prestige and Leadership in Europe.* In order to correct and alleviate the following is recommended:

i. Continuity of U.S. actions which fit into a plausible and persuasive totality of policy or national strategy.

ii. Greater emphasis put by the U.S. Government on prior discussion with interested European Governments before taking specific actions affecting them (though not compromising any essential U.S. positions).

iii. Clarify worries as to future U.S. intentions.

iv. Reduce direct interference by the U.S. in European National affairs by involving ourselves directly in only the major and vitally important problems and dealing with them on a high level.

v. Reduce U.S. technical staffs and missions.

vi. Understand the divergent assessments of the Soviet threat made by Western Europe and avoid pressing for a rate of military build-up in Europe which too greatly exceeds the natural intentions or capabilities of Europeans.

(e) *The Unification of Western Europe.*

i. U.S. policy on this is unclear. A study by the Executive Branch is recommended to formulate guidance on the broad form and scope of the future politico-economic systems in Europe which would be most desirable from the standpoint of the U.S. national interest.

ii. Greater progress toward European unity and cohesion can now be best achieved by relaxation of direct and overt U.S. pressures to such an end.

(f) *Economic Expansion.*

i. Considerable economic expansion within Europe and in world trade backed by expanding markets is an essential element to building strength in Europe. This may be aided by certain careful relaxations of certain East-West trade policies.

ii. Of even greater importance is the energetic development of alternative sources of raw materials within the free world. Specific projects to this end should be pushed and supported.

(g) *Colonialism.* The U.S. finds itself in the anomalous position of being identified in Asia as imperialist and the supporter of Western European colonialism and in Europe as hastening the break-up of colonial relationships. This necessitates increasing coordination within the U.S. Government to assure that each pertinent decision to take a specific action reflects wise and comprehensive evaluation of both aspects of the colonial problem.

(h) *China.*

i. A major objective of the U.S. is to bring about changes in China to eliminate its present threat to free world security, with the ultimate objective of the development in China of an independent government friendly to the U.S. and the free world. The following general policies are proposed:

(A) Regard Communist China consistently as a hostile power and maintain political and economic pressures short of outright military intervention against her until Korea and Indochina are settled to our satisfaction.
(B) Maintain the island chain off the East Asian mainland within U.S. strategic defenses.
(C) Foster the prestige and power growth of Japan as a dominant power in Asia friendly to the U.S.
(D) Continue support of Formosa, to provide not only for its self defense, but, for the existence of an effective strategic reserve for possible offensive action in an expanded war situation in the Far East.
(E) Hold South Korea and support its indigenous forces while seeking the political unification of Korea.
(F) In Southeast Asia, provide major assistance to France and Indochina to effect a favorable solution to the Indochinese war.
(G) Concentrate our major aid and political efforts on helping build strength in selected countries where a basis for such development already exists, and restricting our assistance to others to a very moderate effort aimed at assisting in creating the basic elements of political maturity.

ii. An interim post-armistice policy toward China would involve:

(A) No recognition or treatment of Communist China as other than a hostile power by the U.S. until settlement of Korea and Indochina.
(B) Continuance of U.S. total embargo on trade until Korea and Indochina are settled.
(C) Every feasible effort to secure continuance of present restrictions on trade and other relations by other free nations until Korea is settled.
(D) Keep issues out of UN insofar as possible, with a flat stand of no discussion of China's entry into UN until Korea and Indochina are settled.

(i) *Japan.*

i. Our policy should be directed toward making that country a main bulwark of free world in the western Pacific. It is necessary that a program be developed which will enable Japan to make her way in the world after U.S. extraordinary expenditures there are greatly induced. We shall have to be prepared to give substantial economic aid if the Korean war should end before such a program is developed.

ii. Further policies include: Promotion of Japanese trade in the Southeast Asia area, recognition of the necessity that Japan must trade actively with the mainland of China if she is to maintain economic strength, and removal of barriers to imports of Japanese goods into the U.S. and other free world nations.

(j) *India and Pakistan.* It is possibly unwise to attempt to build up substantial military strength in this area. Stepped up special economic aid of a development nature would have a most important psychological effect.

(k) *Indochina.*

i. Communist control of Southeast Asia would critically endanger U.S. and free world security interests. The immediate key to retraction of Communist strength in the area is Indochina. This problem involves as much our policy problems with France as our opposition to Communist advance. We must at the highest political level seek the following commitments from France:

(A) To make specific announcement regarding the future relationship of the Associated States with the French Union in order to promote popular support and leadership within Indochina for the war effort.
(B) To recognize and fulfill her obligations for the successful defense of Indochina as a crucial front in the struggle of the West against Communist advance.
(C) To regain the military initiative against the Viet Minh with revitalized and aggressive military and political leadership.

(D) To provide sufficient French forces in addition to creating effective indigenous forces to bring the Indochina war to an early conclusion, with the recognition that she will not be able to function as the keystone of NATO as long as Indochina remains a drain on her resources.

(E) To permit the U.S. to take an active part in the development and training of the indigenous forces.

ii. There is great danger that France, contemplating the eventual loss of her present position in Indochina, will lose the will to continue that costly war. We should therefore undertake the support of a substantial part of the cost of stepping up action. In return we should insist that France and the Associated States contribute to the maximum extent of their capabilities.

(l) *The Middle East.* Task Force A recommends the following:

i. A greater content of reserve, impartiality and objectiveness in our overt dealings with Middle East problems with a clear willingness to assist where needed and when asked.

ii. A greater effectiveness in advancing economic development, specifically in the resettlement of the Arab refugees from Palestine, and on the Tigris–Euphrates project. UN agencies, especially the World Bank, should be the vehicles used, to allay local suspicions of direct American interference.

iii. A relaxation of pressures to form the Middle East Defense Organization until greater political maturity in the area is reached. Some small arms aid to assist in the creation of forces to maintain internal order may be provided, but should not be administered by large American military missions.

iv. Continuation of moderate assistance to the Point IV type to such countries in the area where it can help the slow development of political maturity and stability.

(4) A continuation of our foreign aid programs.

12. Reduction of Soviet Power

Under the broad objective of reducing Soviet power, stated in NSC 153/1, lie the dual aims of reducing both the ability and the intent of the Kremlin to exercise this power so as to threaten free world security. These aims must be pursued simultaneously. Vulnerabilities of the Soviet Bloc should be exploited by various covert and overt means. The U.S. should seek to convince the Kremlin of the fallacy of the fundamental concepts upon which their policies are based, while simultaneously trying to persuade the Soviet leaders that it is not too late to turn back from their present course.

13. Establishment of International Order

The UN [*U.S.*] should continue to take an active and helpful part in all UN proceedings. Our participation in the U.S. [*UN*] in recent years has been marked by an excessive zeal with too little recognition of world realities. This tendency should be corrected.

14. The Development of Sound Negotiating Positions with the USSR

Various changes in the Soviet Union policy demonstrate significant fluctuations of Soviet policy in the direction of a more disarming posture. The U.S. must be careful how we treat such relaxations of the Soviet attitude. It is extremely important that we do not appear to show ourselves as the people who *want* the cold war to continue, or the people who appear to lag behind the Soviet leaders in their readiness to effect the solution of outstanding problems by negotiation. We must have an effective *stance* with relation to the problem of negotiation. Any conceivable progress toward a more peaceful world will actually require at some point, and in some respects, formal agreement with the Soviet Union. Positions of strength as a background for negotiation must be built with the understanding that some concessions may be necessary to achieve results, although not at the expense of our overall position of strength.

Appendix

Summary of suggested actions by the Government in areas of Congressional legislation and proposed further studies.

1. Recommended Congressional actions:

a. A tax program yielding revenues at about the fiscal 1953 level.

b. Modification of existing tariff laws to liberalize restrictions upon imports into the U.S.

c. Passage of proposed legislation for the simplification of customs regulations.

d. Standby legislation, at an appropriate time, for economic stabilization.

2. Recommended further studies:

a. Restudy industrial mobilization plans with a view to bringing estimates of the proportion of the economy which can be diverted to prosecution of global war realistically into line with what U.S. economy under full wartime mobilization controls can provide.

b. Appraise the defense program as viewed from five years hence anticipating the changes in our defense programs which will be occasioned by new weapons, techniques and tactics, and ensuring that they are taken into account back through the logistical chain into the mobilization base.

c. Manpower policy and plans to give better assurance of provision of quantity and caliber of personnel required and to assure, for a period of full mobilization, that the manpower program is consistent with the industrial program and the program for continental and civil defense.

d. A study of the future maintenance costs of allied military equipment and a program of aid by the U.S. to meet the costs not capable of being borne by certain of our allies.

e. A study of the logistical dependence of allies upon the U.S. in time of war, and provision for their needs in U.S. plans.

f. Development of an economic program for Japan to assist in restoring that country to economic stability after present extraordinary expenditures by the U.S. in connection with the Korean war are greatly reduced.

g. A new policy and plans for the reunification of Germany, including military plans for changed requirements for the deployment of U.S. forces in Europe.

h. A study of the extent of dependence of our military program on allies and the relationship of this dependence to priorities in allocation of resources.

i. Suggestions for inclusion of added topics in studies now being undertaken concerning U.S. continental defense.

j. A study as to the mid-term or long-term systems of political and economic organizations in Europe best meeting U.S. interests and providing a context into which liberated satellites may fit. This study is to provide long range guidance for U.S. policies.

Task Force B

1. Mission

As directed the policy of the U.S. would be:

a. To complete the line now drawn in the NATO area and the Western Pacific so as to form a continuous line around the Soviet Bloc beyond which the United States will not permit Soviet or Satellite military forces to advance without general war;

b. To make clear to the Soviet rulers in an appropriate and unmistakable way that the United States has established and is determined to carry out this policy; and

c. To reserve freedom of action, in the event of indigenous Communist seizure of power in countries on our side of the line, to take all measures necessary to reestablish a situation compatible with the security interests of the United States and its Allies.

2. Method of Approach

a. The policy is, in final analysis unilateral.

b. An Aggression which would bring on general war would be no trifling border incident but armed aggression that would be clearly recognized as such by the President and the people of the U.S. as well as the free world as a whole.

c. General war is defined as a war in which the U.S., assisted by those allies it might have at the time, would apply its full power whenever, however, and wherever necessary to defeat the main enemy, and to achieve its other war objectives.

d. Alternative "B" furnishes a new frame for the fabric of U.S. policy, but does not replace the myriad of threads that now go to make up that fabric. Alternative "B" would accept may of the concrete recommendations of Alternatives "A" and "C", modifying them only as necessary to accommodate one new premise: *The warning of general war as the primary sanction against further Soviet Bloc aggression.*

e. Alternative "B" requires the U.S. to maintain for the foreseeable future the military capability necessary to meet the Soviet Union in general war. This is an expense that must be borne by any policy that purports to insure the security of this country. Any suggestion is rejected that there is a place in the atomic age for a U.S. military establishment having less offensive power than that which the rulers of the Soviet Union must regard as an unacceptable risk in war.

f. Alternative "B" is essentially a means for bringing the full measure of U.S. power into play to deter Soviet aggression over an extended period. It is proposed as a support, rather than a substitute for existing policies. Within its framework, there is room for great flexibility in the conduct of U.S. policy in all of its other aspects; for example, as regards treatment of individual countries in Western Europe, or as regards competition between Asia and Europe for U.S. attention.

3. Analysis of the Soviet Threat

a. The United States must accept as fact that the nations of the free world are confronted with a Soviet-Communist philosophy and program of conquest which, if unchecked, will result in the loss of their independence and the destruction of their free institutions.

b. The U.S. policy of reacting to Soviet pressures and aggressions as they have appeared at one point or another on the periphery has not been entirely successful. It will be less so in the future. Overriding atomic considerations confront the U.S. with two major alternatives: either a preventive war while the U.S. has a wide lead in atomic weapons or the adoption of a policy that will do most to insure the longest possible period of peace. Preventive war is rejected. The second alternative presupposes that changes within the Soviet Bloc, and in the balance of basic forces in the world, can be made to serve the cause of freedom. Alternative "B" is based on the latter consideration.

4. The Line of No Aggression

a. No satisfactory close-in line was found which would include only the "minimum" areas necessary to U.S. security, without consideration of present obligations, sentiment or past associations. The U.S. now depends on its overseas alliances for a most important, perhaps critical, part of its military capability. Hypothetical gains of freedom of action would become meaningless.

b. No line was found which would exclude any large areas as not absolutely vital to U.S. security, while not discarding the overseas military bases which are so very important for the present, and without banding large industrial resources to the Soviet Union. It is proposed that the line be drawn along the borders of the present Soviet Bloc, filling the gaps in the Middle East and South Asia which are not covered by current NATO and other commitments, as well as clearing up final uncertainty as to U.S. intentions under these alliances.

c. The "Two Worlds Concept" is rejected as undesirable and impractical.

d. The policy of Alternative "B" is, therefore, restated as follows:

(1) That any advance of Soviet Bloc military forces beyond the present borders of the Soviet Bloc be considered by the United States as initiating general war in which the full power of the United States will be used as necessary to bring about the defeat of the USSR and the dissolution of the Soviet Bloc.

(2) That the United States make known publicly in an appropriate and unmistakable way that it has established and is determined to carry out this policy.

(3) That the United States reserve freedom of action, in the event of seizure of power by indigenous Communist forces in countries beyond the borders of the Soviet Bloc, to take all measures necessary to re-establish a situation compatible with the security interests of the United States and its allies.

5. Predicted Effects of the Policy

a. A clear indication that further military aggression by the Soviet Bloc would result immediately in general war will reduce the likelihood that such a war will occur.

b. The policy makes most effective use of U.S. power, and exploits Soviet weakness.

(1) It will reduce the effectiveness of Communist power politics and penetration in free countries. It renders subversion of a free country more difficult.

(2) It will make clear that the U.S. does not hire others to fight its war for it, and will provide a firmer basis for U.S. relations with other free world countries.

(3) It will assist the growth of dependably anti-Communist regional groupings of nations.

(4) It will on balance strengthen the United Nations.

(5) It will on balance improve the basis for resistance to Soviet domination in satellite countries.

(6) It provides a safeguard against aggression by Communist China, while also providing a basis for friction between the Chinese Communists and the Kremlin.

(7) Alternative "B", although it will be most effective in maintaining stable peace over a period of years, offers considerable assistance also in the settlement of the current peripheral wars in Korea and Indochina.

c. The proposed policy clarifies the principal purpose of U.S. forces and enables their most economical development and maintenance.

d. By clarifying the principal purpose of U.S. military forces, and the circumstances in which they would be employed, the U.S. will similarly clarify the size and nature of other necessary military forces around the Soviet periphery.

e. The proposed policy will find the U.S. and the free world best prepared to conduct a general war if it is in the Soviet scheme that there must be one.

6. Costs

Alternative "B" will help stabilize the economy of the free world, by stabilizing the cost of defense and providing a confident political atmosphere for economic development. It is not contended that this alternative enables free world defense expenditures in the long term to be reduced from present levels, but it is contended that it will stabilize defense requirements, furnish a better basis for public understanding of them, and above all, provide a framework for most rewarding expenditure of the money that is in fact made available.

Since Alternative "B" rules out peripheral wars, its military costs will in the long term be less than the cost of any alternative that accepts such wars—by the amount those wars cost. The cost of a general war is not in question; all alternatives aim at preventing it.

Whatever our defense necessities, they must be met. Task Force B is in agreement with A and C that the upper limit on the ability of the U.S. to bear the costs of defense and of a minimum civilian economy, in case of ultimate need, is not the danger of national bankruptcy, but the capacity to produce gross national product. Whatever the evils of inflation, whatever the economic problems involved in efforts to control it, these cannot be weighed in the same scales with the great danger to our national survival.

7. Soviet Reaction to Alternative "B" 's Policy

a. They will most probably adopt a defensive posture.

b. Soviet economy will not adjust quickly to meet the policy, or derive any particular economic advantage from it during the next decade. Economic strength of the USSR will not nearly obtain parity with that of the U.S. in the foreseeable future, nor will the relative economic position of the USSR vis-à-vis the U.S. improve to a degree involving an unacceptable risk to the U.S.

c. As further Soviet Bloc expansion is made more risky by a U.S. policy which clearly defines the retaliatory threat of general war, Soviet leadership must reckon with the latent risk of losing control over its own masses in a war which would bring destruction directly upon them.

8. Implementation

The policy must be announced in terms which emphasize that a decisive step has been taken. To have the desired effect on the rulers of the USSR, and on the free world, it is essential to drive home the point that the U.S. stands solidly behind its proclamation. A joint Resolution of Congress will be the most powerful means of making this point. It is important to attract maximum support from U.S. allies, as well as to explain and defend the policy in the UN with the understanding that it is subject neither to the veto of our allies or of the UN.

TASK FORCE C

1. Mission

As directed the policy of the U.S. would be:

a. To increase efforts to disturb and weaken the Soviet Bloc and to accelerate the consolidation and strengthening of the free world to enable it to assume the greater risks involved.

b. To create the maximum disruption and popular resistance throughout the Soviet Bloc.

2. Method of Approach

As a result of their analysis of the Soviet threat, the Task Force has established the necessity of courses of action developed in three distinct phases. The basic problem was to correlate the timing of actions by the United States against the time when the Soviet Union will be capable of dealing a destructive blow to the United States (five years). The short-term period during which specific tasks are recommended is set at five years. The mid-term period is set at seven years beyond the end of the short-term. For this period no specific tasks, but rather general courses of action, are recommended. The long-term is that period beyond the mid-term, with no set terminus. No specific tasks or courses of action are recommended, but U.S. ultimate objectives are summarized, which should be obtained during this period.

3. Analysis of the Soviet Threat

The Task Force concludes from a study of the Soviet threat that time has been working against us. This trend will continue unless it is arrested, and reversed by positive action. . . .

4. Basic U.S. Objectives

Under this policy the general peacetime objectives of NSC 153/1 are accepted, but the wartime objectives are added. The basic purpose of national security policies remains unchanged: to maintain the fundamental American values and institutions which rest on the essential dignity and worth of the individual in a free society. Similarly, the objectives which call for building of U.S. military and nonmilitary strength, protecting a strong U.S. economy, and calling for free political institutions and informed public opinion, are maintained.

Instead of preventing "significant expansion" of Soviet Bloc power (NSC 153/1), the alternative is categorical as to preventing *any* further expansion. In reducing Soviet power this alternative calls for this action "without, *however, initiating* general war" instead of the stipulation of "without *unduly risking* a general war" of NSC 153/1. In adding U.S. war objectives to our peace objectives, the following aims result:

a. Ending Soviet domination outside traditional borders.
b. Destroying the Communist apparatus in the free world.
c. Curtailing Soviet power for aggressive war.
d. Ending the Iron Curtain.
e. Cutting down the strength of any Bolshevik elements left in Soviet Russia.

These latter objectives are considered the *true* objectives of the United States. NSC 153/1 does not provide for their attainment other than by recourse to general war. The policy of Alternative Claims [*C claims*] to achieve them through cold war, although admittedly running greater risk of general war.

5. Major Policies and Guidelines to Govern Courses of Action

a. Prosecute relentlessly a forward and aggressive political strategy in all fields and by all means: military, economic, diplomatic, covert and propaganda.

b. Evolve and maintain a military policy that will support the strong political line until a real and permanent decision has been secured.

c. Establish, perfect and employ an executive cold war machinery that can plan and execute a dynamic program of action.

d. Continue integration and build-up of all elements of anti-Soviet strength.

e. Exploit to the fullest, use of military forces as instruments of national policy to achieve political, propaganda and prestige objectives by both military and diplomatic means.

f. Utilize the technical and productive genius of the United States combined with the power of our matchless industrial plant, our skilled manpower and a largely self-sufficient economy.

g. Educate the public of the U.S. in the nature of our enemy, the threat to our freedoms and existence and the necessity for intense and sustained attack against our real political enemy, the Kremlin group.

h. Employ negotiations as a means for exploiting favorable developments and improving our political position but bar those in which the United States would be on the defensive or which could risk loss of certain vital elements of strength and position.

i. Prosecute initially a large part of our intensified cold war covertly using a national program of deception and concealment from public disclosure and Soviet discernment as to the depth and extent of our challenge.

j. Miss no opportunities to confuse and unbalance our enemy nor any to discredit him: within his own borders, in the eyes of our public and in satellite and international circles.

k. Attain limited but definite time-phased objectives of an operational nature leading progressively to more comprehensive distant objectives.

l. Limit political commitments so that the United States can retain its initiative and freedom of action and exercise free world leadership.

6. Summary of Political, Economic and Military Considerations

a. The policy is one of dynamic political warfare designed to create a climate of victory which will encourage the free world and attract doubting nations to our side. It exploits the principle that nothing succeeds like success.

b. The free nations need early tactical victories in order to reverse the trend of Communist successes.

c. The policy is a departure from our traditional concepts of war and peace. It requires Congressional and popular support of the costs of building a stronger military establishment than presently contemplated. It requires an increased tempo of diplomatic and political activity towards the Soviet Bloc.

d. The allies would be a source of strength and weakness. They would undoubtedly oppose such an aggressive policy. Therefore, the full scope of the plan would be revealed to them only gradually as successes were won.

e. The United States and its allies must as a first step meet commitments under the recently amended force goals in NATO. These goals must not be revised downward further.

f. The United States would overtly and covertly attack the Communist apparatus on a world-wide basis. The Communist Party in the United States would be outlawed.

g. Nationalism would be exploited as an effective weapon against Communism.

h. In dealing with Communist forces engaged in actual hostilities, the United States would not suspend the tempo of those hostilities or reduce military pressure on the enemy before a settlement is actually reached.

i. The policy must never be made to appear as a policy of aggression.

j. *Germany.* A united and rearmed Germany integrated in the European community is sought. A lesser objective would be a neutralized East Germany and a rearmed West Germany. In seeking these objectives, the possibility is recognized that an agreement with the Soviet Government for unification of Germany could only be obtained on condition that it would be neutralized though permitted a small national defense establishment. Under Alternative C the United States would be prepared to accept such a risk as an interim step toward attainment of our main objective. Our minimum objective, however, is a rearmed West Germany associated with the West. It is recommended that we press forward toward all of these objectives until a point is reached which requires that we make a final choice in the light of realities of the then existing situation. The EDC nations should be informed that if they do not constitute their defense community by the end of this year, the United States will rearm West Germany on a bilateral basis. Concurrently, the NATO nations will be reassured that we will come to their aid if attacked by Germany.

k. *France.* Tactfully but firmly inform France that the United States is now embarked on a new course of action which requires an end to delays in getting our mutual security interests in order.

l. East-West trade should be undertaken on a selective basis with maximum advantage to ourselves and minimum gain to the enemy. Exploitation of those areas in which the Soviet Bloc is not economically sufficient, frequently by preclusive buying. Establish stringent controls and harassing policies on Soviet shipping.

m. *Foreign Aid Programs.* Continuation of aid to our allies, at least on a maintenance basis, for as long as the cold war continues. Liberalized U.S. trade and tariff policies.

n. Immediately strengthen our military posture, both offensively and defensively, in order to carry out the military operations contemplated, and to be prepared to meet any risks of general war resulting therefrom. To include the following:

(1) Organize, train and equip the additional ready forces required.

(2) Prepare for early mobilization of the reinforcing units required.

(3) Deploy additional forces to sensitive areas.

(4) Accelerate improvements in our continental air defenses:

(a) Development of a much improved early warning capability.

(b) Early completion of an integrated Army-Navy-Air Force air defense plan closely coordinated with the Canadians.

(c) Expedite research, development and early production of new air defense weapons.

(d) Establish a workable civil defense program.

(5) In the field of atomic weapons:

(a) Ensure that counter-air strikes could be launched without delay by placing the complete weapons in the hands of tactical units designated to employ them. This requires many important governmental policy decisions regarding the use of atomic weapons and particularly inter-governmental agreements before a general war is forced upon us.

(b) Expedite development of a logistic capability and of operational procedures for handling and employing atomic weapons on tactical targets.

(6) Build-up of equipment reserves, including some overseas stockpiling.

(7) Stepped up delivery of equipment to our allies.

(8) Continue a vigorous research and development program to maintain and widen our technical lead over the enemy.

(9) Avoid losing freedom of action through participation in additional regional pacts.

(10) Minimize participation in disarmament discussions.

(11) Adopt a basic system of universal military training and service.

7. Additional Courses of Action in Various Parts of the World

a. *Western Hemisphere.* Eliminate Communist footholds in the Western Hemisphere.

b. *Europe.*

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(2) Support closer Greek-Turkish-Yugoslav political and military cooperation.

(3) Expedite the development of the Volunteer Freedom Corps.[5]

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[5] For documentation on the various longstanding and short-term proposals for the incorporation of Eastern European refugees into a volunteer military force which culminated in the NSC 143 Series, February–May 1953, see volume VIII.

c. *Middle East.*

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d. *Far East.*

(1) *Indochina.*
Press for a high-level conference in Paris to arrive at a complete understanding with the French concerning political, economic, and military policies to be taken with respect to Indochina including the following specific actions:

(a) Press the French to grant full dominion status to the Associated States by early 1954 and, at war's end, to permit them to vote on continued membership in the French Union.
(b) Urge the election of a Vietnam National Assembly at an early date.
(c) Press the French Government to clearly define the status of their nationals in Indochina.
(d) Expand the indigenous forces and adopt U.S. training methods.
(e) Press for more vigorous prosecution of the war in Indochina including: closer US-French military collaboration; expansion of forces; organization of divisional size units; more vigorous and aggressive conduct of war; cut enemy lines of supply from Communist China.

(2) *Communist China.*

(a) Take actions to isolate Communist China politically and prevent her being seated in the UN or any other international body.
(b) Maintain an embargo on trade with Communist China and induce our allies to do the same.
(c) In the event of continued war in Korea, blockade the Chinese coast with the assistance of the Nationalists.
(d) In the event of a cease-fire agreement, utilize the war between Communist and Nationalist China as a basis for a blockade. Provide the Nationalists with the means to effect the blockade.

(3) *Nationalist China.*

(a) Employ Nationalist forces for conducting active military operations against the Chinese Communists.
(b) Before mounting operations against the mainland, employ these forces to recapture the island of Hainan.

(4) *Japan.*
Essentially the same policy as that of Task Force A, but greater pressure on Japanese to meet scheduled organization of Japanese Safety Force.
(5) *Korea.*

(a) If a cease-fire agreement is reached:

i. At the peace conference, insist upon a unified, independent Korea, not under Communist control or domination.

ii. No withdrawal of UN forces from Korea until a peace is signed and indigeneous defense forces developed.
iii. Establish 10 mile demilitarized zone astride the present Korean-Manchurian border.

(b) If no cease-fire agreement is reached, or if a political conference fails and fighting is resumed in Korea, intensify military operations in order to:

i. Seize a position across the waist of Korea.
ii. Capture or destroy maximum enemy forces and equipment.
iii. Create conditions that would force the enemy to accept a settlement favorable to the UN.
iv. Atomic weapons would be employed in these operations.
v. Extend the air and sea war to Communist China with priority to lines of communication and industrial facilities.

(c) An effective UN economic and rehabilitation program in Korea is viewed as essential.

8. Special Actions Required in the Field of Propaganda and Covert Operations

a. United States propaganda and covert apparatus have failed to a certain extent, largely due to two deficiencies: (1) lack of a national strategy to end the cold war by winning it, and (2) lack of a national command post to concentrate our political, military and economic resources on winning. Adoption of the policy of Alternative C as a national strategy would solve the first deficiency. The establishment of a governmental organization (such as that recommended by the Jackson Committee) for implementing the strategy is recommended.

b. A large-scale expansion and development of our covert apparatus is urged.

9. Implementation

The United States Government must take the necessary steps, in terms of organization and procedures, to attain the ability to effectively prosecute the policy. Speed of action, continuity of policy and programs and security of operations are required.

10. Costs

a. It is estimated that expenditures to carry out Alternative C would be of the order of $60 billion in FY 1954 and 1955. Expenditures decline to below $45 billion by FY 1958. If fighting was resumed in Korea, the figures for FY 1954–1955 would be between $60 billion and $65 billion. These figures do not include preclusive buying, which would be limited and selective. Peacetime costs would be higher in the short term than under Alternatives A or B, and higher than presently proposed programs. In the long term, costs should be substantially lower when we have won the cold war, and lower than the current policy or Alternative A or B, which do not end the cold war.

b. The Task Force is generally in accord with the views of Task Force A relating to the capacity of the United States to provide and finance these resources requirements.

11. Legislative Requirements

a. Appropriations covering the increased program costs.

b. Tax legislation consistent with these appropriations.

c. Reduction of tariffs and simplification of customs procedures.

d. Stand-by legislation for wartime economic controls.

e. A basic system of universal military training and service.

f. Increased latitude with respect to immigration.

12. Additional Requirements

a. Greater continuity of security policies and programs.

b. Special arrangements to reconcile the necessity for security of sensitive operations with the need for Congressional understanding and support.

13. Public Opinion

The alternative puts major demands on public support. The necessity and rightness of the policy must be fully and expressly conveyed to them.

14. Allies

Alternative C's policy would strain our system of alliances which remain essential to consolidation of the strength of the free world. It is believed that a situation exists where the United States can and should be less solicitous of specific internal problems of the Western European countries, and can and should feel less constrained to subject its actions outside the scope of the NATO commitment to the veto of NATO partners, specifically France and the United Kingdom.

15. The Timetable: Short Term

a. *U.S.S.R.*

(1) *Political.*

(a) Withdrawal of Soviet forces from East Germany and Austria.
(b) Release German and Japanese prisoners of war.
(c) Austrian State Treaty.
(d) United Germany, pro-western and rearmed.
(e) Condemn repressive measures in occupied territories.
(f) Unrelenting pressure on Soviet leaders on each political issue that arises.

(2) *Military.*

(a) Show U.S.S.R. strong defense, demonstrating folly of attack on free world and especially on the United States with any hope of success.

(3) *Economic.*

(a) Apply principle of selective sanctions.
(b) Deny vital strategic materials including natural rubber, electronic tubes, machine tools, and tungsten wire.
(c) Impede shipping—throw burden of overhaul on Soviet shipyards—push for goods movement in only Orbit bottoms.
(d) Adopt as principle that of limited, selective preclusive buying.

(4) *Propaganda.*

(a) Support lines set forth under political lines.
(b) Advocate student and cultural exchange.
(c) Abandon pushing merits of United States.
(d) Concentrate on evils of Soviet system:

(i) Slave labor camps.
(ii) Restriction of movement within Russia.
(iii) Inequalities of living.
(iv) Stratification of Soviet society.
(v) Promotion of a phony peace.

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b. *Communist China.*

(1) *Political.*

(a) Withhold recognition or any diplomatic relationship as long as they support hostilities in Korea and Indochina.
(b) Press for a unified, independent Korea, not under Communist control.
(c) Block Membership in the United Nations.
(d) Seek to drive a wedge in the Moscow–Peiping axis.

(2) *Military.*

(a) If no truce—defeat Chinese Communist armies in Korea.
(b) Seize Hainan and, if successful, attack one point on the mainland with the Chinese Nationalist forces, successively by 1955.
(c) Tighten blockade of the mainland, using Chinese Nationalist forces.

(3) *Economic.*

(a) Maintain tight economic blockade during period of hostility.
(b) Tighten restrictions on overseas contributions to Communist China.
(c) Selective and limited preclusive buying.
(d) Prevent acquisition of external assets that improve international trade position.

(e) Deny all strategic materials during belligerency period—tighten all other materials.

(4) *Propaganda.*

(a) Attack subservience to U.S.S.R. through ridicule—theme "Mao is puppet."
(b) Restore family and community loyalty.
(c) Point up aggression—Tibet, Korea, and Indochina.
(d) Point up isolation from free world because of their own aggression.
(e) Ridicule inability to reduce Chiang Kai-shek and Chinese Nationalists.

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c. *European Satellites, East Germany, and Austria.*

(1) *Political.*

(a) Hamper consolidation of Soviet control over satellites and keep alive satellite morale and aspirations for national independence without inciting them to premature or suicidal insurrection.
(b) Maintain diplomatic relations as long as advantages outweigh disadvantages.

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(2) *Military.*

(a) Build strength on adjacent borders—Czechoslovakia, Rumania, Bulgaria, Hungary. Pose no threat.
(b) "Recapture" the Baltic by Allied fleet visits.
(c) Maintain naval strength in Mediterranean.
(d) Decry large forces in being in the satellites.

(3) *Economic.*

(a) Apply principle of selective sanctions.
(b) Permit large flow of luxury items to drain foreign exchange.
(c) Deny vital strategic materials.
(d) Open trade in items that will reduce reliance of satellites on Soviets.
(e) Limited and selective preclusive buying.

(4) *Propaganda.*

(a) Stress puppet status of satellites.
(b) Advocate student and cultural exchange.
(c) Point up restrictive measures, inequality of treatment, destruction of national aspirations.
(d) Abandon attempting to "sell" the United States.
(e) Point information to receptivity of the country receiving it.
(f) Repeat free world readiness to cooperate, as with Yugoslavia.

(g) Indicate Soviet oppression on peoples with progressive free world ideas.

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d. *Free Europe—Northwest Africa.*

(1) *Political.*

(a) Evacuation of Eastern Germany and Austria by Soviet occupation forces.
(b) Unified Germany, pro-Western and rearmed.
(c) Austrian State Treaty.
(d) Reduction of Communist Party strength, particularly in France and Italy.
(e) Adoption of progressive policy by colonial powers with respect to their colonial possessions leading to self-government.
(f) Support European regional institutions, including EDC, unless and until a choice must be made between EDC and a unified Germany.

(2) *Military.*

(a) Set goals for European countries consistent with their capabilities and assessment of the threat. Continue the build-up.
(b) Pursue principle of regional balanced forces as opposed to national balanced forces.
(c) Increase depth of defense to include Spain in regional agreements.
(d) Improve flexibility and adequacy of logistic support.

(3) *Economic.*

(a) Continue marginal support of economies with emphasis on defense support.
(b) Continue effort to expand European trading system started in Schuman Plan.
(c) Seek substitute sources of materials presently coming from satellites.

(4) *Propaganda.*

(a) Stress repressions in satellites as salutary warning.
(b) Point to continued presence of Soviet Armies in Central Europe as bar to peace.
(c) Support vigorous diplomatic front with tailored propaganda for respective areas.
(d) Promote greatest possible number of exchanges with United States.
(e) Ridicule as dupes those "voting Communist".
(f) Keep sense of humor as only convincing approach.

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e. *Middle East—Northeast Africa.*

(1) *Political.*

(a) Expand United States activities demonstrating long-term friendship and interest in the area.

(b) Establish a regional planning group looking to the defense of the Middle East, including initially the United States, United Kingdom, and Turkey with an invitation to other area countries to participate and notification to Pakistan.

(c) More formal relations with Israel with emphasis on less open professions of total support.

(d) More direct and indirect pressure for Israeli-Arab settlement of differences.

(2) *Military.*

(a) Immediate steps to establish a MEDO Planning Group; invite Arab State(s) association.

(b) Plan defense of the area.

(c) Consummate bilateral agreements with those nations willing and able to participate in the area and with which we do not already have an agreement.

(d) Maintain high priority of support to Turkey.

(e) Establish safeguards to prevent improper use of military aid furnished them.

(3) *Economic.*

(a) Expand technical aid at the village level.

(b) Initiate project to restore productivity of Tigris-Euphrates Valley.

(c) Work to diversion of oil profits to research projects beneficial to area:

(i) Desalinize sea water.
(ii) Solar power.
(iii) Irrigation.

(d) Improve sanitation.

(e) Expand educational facilities.

(4) *Propaganda.*

(a) Respect and stress the basic tenets of Muslimism.

(b) Stress repressions under Soviets.

(c) Keep theme simple, stressing provisions of wells, schools, health benefits, with emphasis on benefits that can be seen.

(d) Avoid over-commitment to attacks on Communist ideology.

(e) Present basic solidarity of free world.

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f. *Northeast Asia—Korea.*

(1) *Political.*

(a) Establish as objective unified independent, non-Communist Korea.

(b) Continue suppression of Communist Party in free Korea.

(c) Press for wider internal political latitude—deplore one-party system.

(d) Establish 10-mile neutral zone at Yalu subject to international inspection with respective governments retaining jurisdiction over national territory.

(e) Include Korea in regional defense pact.

(2) *Military (No Truce).*

(a) Build force to inflict sound military defeat on Chinese Communists.

(b) Maintain U.S. forces in Korea as stabilizing influence.

(c) Continue build-up and support of ROK armies.

(d) Press for greater UN contributions as evidence of good faith. By-product is wider world support for outright defense against overt aggression.

(Truce)

(a) Maintain full UN force in Korea until acceptable peace is signed. (Objectives in political are obtained)

(b) Limit peace talks to definite period—six months maximum.

(c) Renew and extend war under failure of peace talks and so state.

(d) Issue "greater sanctions" statement.

(3) *Economic.*

(a) Restore Korea to economic self-sufficiency except for heavy military hardware.

(b) Press for establishment of trade relations with Japan.

(c) Extend technical aid in improving agricultural methods—stress village level.

(4) *Propaganda.*

(a) Play up Korean effort in repelling aggression.

(b) Broaden student, leader, and technical exchange program.

(c) Play Korea as the show piece of the free world against the ramparts of Communist Asia.

(d) Present basic solidarity of the free world.

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g. *Northeast Asia—Japan.*

(1) *Political.*

(a) Press for constitutional changes that will permit rearming.

(b) Press for outlawing Communist Party.

(c) Continue close ties with Japanese Government.

(d) Press for Japanese inclusion in UN.

(e) Demand of Russia a peace settlement with Japan.

(2) *Military.*

(a) Push development of minimum ten-division National Safety force with sea and air forces of appropriate size in point of defense mission involved. Expand Japanese forces when United States forces are withdrawn.

(3) *Economic.*

(a) Seek trade outlets for Japanese industrial output.
(b) Seek raw material sources for Japanese industry.
(c) Expand technical aid seeking self-sufficiency in foodstuffs.

(4) *Propaganda.*

(a) Stress repressions of Soviets.
(b) Keep prisoners held by Soviets before Japanese people.
(c) Expand student exchange—make this a two-way street.
(d) Present basic solidarity of free world.

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h. *Northeast Asia—Formosa.*

(1) *Political.*

(a) Maintain support of Chiang regime.
(b) Seek support of overseas Chinese for Chiang—more for effect of denial on Mao.

(2) *Military.*

(a) Require positive military act by Chiang—against Hainan or mainland.
(b) Build up naval capability of blockade of mainland.
(c) Build air defense capability.

(3) *Economic.*

(a) Continue effort to make Formosa self-sufficient except for heavy military hardware.

(4) *Propaganda.*

(a) Play up Chiang's fight for freedom.

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i. *Southeast Asia—Indochina.*

(1) *Political.*

(a) Insist on full independence for Indochinese States by February 1954.
(b) Support Indochinese affiliation with French Union, as the best safeguard against Communist encroachment after independence.
(c) Seek admission of Indochinese States into the United States [*Nations*].
(d) Inclusion of the Indochinese States in a regional pact involving other states of Southeast Asia and the Southwest Pacific.

(2) *Military.*

(a) Develop increased military force to win outright victory in Indochina.

(b) Inclusion in mutual defense pact for Pacific area after freedom is attained.

(3) *Economic.*

(a) Continued economic aid.

(b) Economic reforms within the Indochinese States.

(c) Expanded trade relationships with Asiatic countries—emphasis on Japan.

(4) *Propaganda.*

(a) Ridicule useless sacrifices of duped Viet Minh.

(b) Conduct subtle campaign against reactionary colonialists in Indochina.

(c) Emphasize indoctrination of armed forces to assure future loyalty.

(d) Create regional consciousness in Southeast Asia.

(e) Present basic solidarity of the free world.

(f) Promote exchanges with neighboring countries, especially the Philippines.

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16. Mid-Term Guidelines for Courses of Action (1958–1965)

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f. It was not deemed feasible to specify courses of action for a period five years away. At the end of the short-term period in 1958, it is believed that under Alternative C, U.S. and free world strength would have greatly increased. There would be no lasting peace in Korea. A severe blow to Chinese prestige though the administration of a sound military defeat and the destruction of some of her industrial centers would have been dealt. Relations between the Soviet Union and China would have been strained, and China would be beset by internal difficulties. In Europe, Germany would be united and committed to neither side, though oriented toward the free world; or, alternatively, she would be divided with West Germany an armed and active partisan of the West. Soviet armed forces would conceivably be withdrawn within the borders of the Soviet Union. The satellites would experience internal deterioration.

g. In the Middle East an acceptable degree of internal stability would have been attained.

h. In Africa and in Latin America improved stability and the destruction of a substantial part of the Communist conspiracy would have been attained.

17. Mid-Term Specific Guidelines

a. *Political.*

(1) Continued "hard" policy toward our enemies, but tempered by an increased willingness to bargain, since we will be negotiating from a position of strength.

(2) Continued friendship toward those areas, primarily Latin America, neutralist Asia and Sub-equatorial Africa, in which the Communist threat has been materially reduced.

(3) Continued effort to maintain the support of Allies, though resorting to a "hard" policy when required. Our task is to command respect, not necessarily love and devotion.

(4) All-out political offensive to overthrow satellite governments and bring them into the family of free nations.

b. *Military.*

(1) Continued maintenance of a strong base at home, with forces deployed world-wide . . . .

(2) Continued stress and support of preparedness on the part of our Allies, with emphasis on those countries adjacent to satellite territories.

c. *Economic.*

(1) Continued limited aid in those areas where Point IV aspects of current aid have been stressed.

(2) Reduced economic aid where applicable but continued support of military forces in being on a sustaining basis. This envisages a marked reduction in economic aid in Western Europe and in Japan.

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18. Long-Term Guidelines

a. At the end of the mid-term or in 1965, it is envisaged that the satellites will be freed, or in such a state of disaffection with the U.S.S.R. as to constitute a serious weakness rather than strength in the Soviet bloc. The strains between Communist China and the U.S.S.R. will have reached a point where prospects are favorable for driving a final wedge between them.

b. There will be two ultimate objectives in the long term:

(1) The reduction of Soviet power and militancy and the elimination of the Communist conspiracy; and

(2) Overthrow of the Communist regime in China.

Since this phase of the conflict is in the distant future, no specific courses of action are recommended. It is important to keep these objectives in mind throughout all periods. No action should be undertaken that does not lead ultimately to the goal of liquidation of the Communist menace.

SUMMARY OF POINTS MADE IN DISCUSSION FOLLOWING PRESENTATION BY TASK FORCES JULY 16, 1953

1. *Task Force B.* While armed, easily identifiable aggression by Communist forces across the "line" drawn by the United States would be grounds for general war, the United States would, in the case of indigenous Communist seizure of power in a country on our side of the line, retain freedom of action to restore the pre-existing situation as we saw fit by using any means at our disposal.

2. *Task Force B.* The basic policy of Task Force B should strongly deter the aggressive movement by Communist forces across the "line" drawn by the U.S., and thereby create a stronger political and psychological climate in the countries on our side of the "line". Thus, it will become easier for these countries to deal with and minimize the possibility of indigenous subversion.

3. *Task Force A.* Our initial position with respect to the arming of Germany should leave this issue to be decided by the Germans themselves, following an ultimate peace settlement. The difficulty of restricting German rearmament would lie in its international regulation by a body such as the UN, a body of which the Soviets are members. A very careful examination should be made before being willing to accept a neutralized Germany.

4. *Task Force A.* The primary objection to implementing EDC at this time is the loss of negotiating position vis-à-vis the Soviets in connection with an ultimate settlement of the German question. An implemented EDC would mean that the free world would be asking the Soviets to withdraw their forces from East Germany, while we would be free to include East Germany with West Germany in an alliance directed against the Soviets. NATO provides a good framework for negotiation, apart from EDC. If we do not entwine the Germans more than necessary in EDC and NATO, they and we will have more flexibility in developing successful negotiating positions with the Soviets.

5. *Task Force A.* Concurrently with attempting to re-unify Germany and secure Russian withdrawal, we should proceed with the unilateral rearmament of West Germany. While such unilateral rearmament would weaken and strain NATO, it would not destroy it. There is great possibility that Germany can be brought into EDC only after German unification, and not before or as a condition of German unification. While the U.S. was checked two and a half years ago on unilaterally rearming Germany, there exists a considerably different situation today. Our allies then feared we would take away equipment and supplies intended for them, and give them to the Germans. We should not be restrained in our liberty of action by basically unsound French fears of Germany. We recog-

nize however that French fears and reactions must be seriously considered and if possible modified, because France is an indispensible part of our military geography.

6. *Task Force A.* Some preference exists for a unilaterally rearmed Germany as opposed to Germany as a part of EDC, but the decision turns upon and is related to other matters. There is hope that following achievement of German unification and withdrawal of Soviet forces from Germany, the Soviets might withdraw their military forces from the satellites. Such a situation in turn would lead to the necessity of the Soviets creating new arrangements for the protection of their position and interests in the area.

7. *Task Force A.* Germany is the key to developing the strength of Western Europe. We cannot accept as the price for obtaining French and British support against the Soviet Union suppression of Germany's natural vigor and power. We do not wish Germany again to be a menace to Europe. Yet the restriction of her rearmament to certain types of conventional weapons presents difficulties and is questionable. We should take advantage of our very favorable position as it exists today in Germany, rather than lose this opportunity because of a risk that the German menace may reappear.

8. Even if the U.S. could get along economically and on the basis of sufficient raw materials by concentrating its efforts on the West and letting the Far and Middle East fall where it might, our allies could not get along without the essential resources and dollar earnings of those areas. There would result a deterioration of the allies' political and economic position and their will to resist, which in turn would affect the U.S. From the military point of view, such a course of action would lead to a danger so great to the U.S. as to necessitate spending much more than we are today for defense. For example, if the power complex of Japan were added to the Soviet Union's capability, the resultant increase in Soviet strength would be a great danger to the U.S. The union of Japan, China, and Manchuria in a communist system would be incalculably dangerous. Furthermore, it would create a climate of defeat through the free world.

9. *Task Force C.* Rather than taking fewer actions stretching out over a longer period of time in order to involve less dollar costs, Task Force C believes its program might be strung out over too long a period.

10. *Task Force C.* Task Force C feels that the guarantee to France against German aggression should be restated and reaffirmed.

11. *Task Force C.* The matter of the ratification of EDC has been left too much in the hands of the French Government. The U.S.

should pick up the ball and pressure for a decision by France. Of course it is not possible to foretell whether the French will react logically to such pressure in terms of what we would consider logical.

12. The essential differences of approach between Task Forces A and C cannot be reconciled. There are also differences between Task Forces A and B. The latter Task Force believes the Soviet will be a tougher aggressive menace than A envisages. Task Force A thinks mainly in terms of aggression by Russian forces, while Task Force B treats the Soviet bloc as a whole.

13. *Task Force B.* Peripheral wars are uneconomical and weakening. UN and regional agreements do not sufficiently guarantee against peripheral wars. The strength of the position of Task Force B lies in its reliance on the threat of general war as a final sanction. However, if it were clear that the UN and regional agreements went beyond local and peripheral defense arrangements and envisaged direct retaliation against the Soviet Union, they might provide as effective mechanisms as unilateral action.

14. *Task Force C.* The U.S. cannot continue to live with the Soviet threat. So long as the Soviet Union exists, it will not fall apart, but must and can be shaken apart.

15. *Task Force A.* We must try to weaken Soviet power and bring about its withdrawal within traditional Russian boundaries, then, rather than press for the destruction of the Soviet state, we should wait for an evolution in Soviet life and patterns of behavior which might follow from such a withdrawal. There is possibility that the Soviet Union will change. There are signs of evolution, particularly in recent events. Accordingly, one fears the aggressive thesis of Task Force C, and must ask: if we won a war, what would we put in the place of the Soviet Government? There do not exist among Russian people at this time elements from which could be formed a democratic government. While Task Force B feels that it is necessary to create a further deterrent to general war and Soviet aggression in order to bring about an evolution in Soviet behavior, Task Force A feels that sufficient deterrents already exist and are capable of being shaped into a better form.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 157th Meeting of the National Security Council, Thursday, July 30, 1953 [1]

[Extract]

TOP SECRET EYES ONLY

The following were present at the 157th meeting of the National Security Council: The President of the United States, presiding (except for the first part of Item 1, which was presided over by the Vice President); the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director for Mutual Security; the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General; the Secretary of Commerce (for Item 1); the Assistant Secretary of Commerce (for Item 1); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Item 5); the Federal Civil Defense Administrator (for Item 5); Robert R. Bowie, Department of State (for Item 5); Walter S. Delany, Office of the Director for Mutual Security (for Item 1); Kenneth R. Hansen, Economic Defense Advisory Committee (for Item 1); the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Robert Cutler, Special Assistant to the President; C. D. Jackson, Special Assistant to the President; Col. Paul T. Carroll, Acting White House Staff Secretary; the Executive Secretary, NSC; Marion W. Boggs, Coordinator, NSC Planning Board Assistants.

There follows a summary of the discussion at the meeting and the chief points taken.

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5. *Project Solarium* (Memo for NSC from Executive Secretary, same subject, dated July 22, 1953; NSC Action No. 853) [2]

Mr. Cutler introduced this subject by noting that the Solarium reports had been distributed to Council members and that summaries had been prepared by the NSC Staff pursuant to NSC Action No. 853. Mr. Cutler then distributed a two-page memorandum on the subject [3] which contained first a summary of the basic concepts of the three Task Forces, and subsequently a proposed new basic concept.

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[1] Drafted by Coordinator Boggs of the National Security Council Board Assistants on July 31.

[2] For Lay's memorandum of July 22, see p. 399. For NSC Action No. 853, see footnote 2, p. 396.

[3] Not found; but see Cutler's memorandum *infra* which is apparently the final version of the reference memorandum.

Mr. Allen Dulles informed the Council that CIA was preparing a coordinated estimate as to whether time was on our side. [4] He summarized several of the conclusions of this forthcoming estimate as follows:

(1) If the USSR continues its present policies it will close the economic gap now existing between it and the United States. From this point of view, time is on the side of the USSR.

(2) The U.S. and the USSR will each acquire weapons capable of crippling the other. Hence the U.S. is losing its invulnerability to direct attack.

(3) As Western defense capabilities in overseas areas near the Soviet Union increase, the relative position of the U.S. is improved, and from this point of view time is on the side of the U.S.

(4) While no collapse within the Soviet bloc can be foreseen, the USSR may lack vitality over the long run. From this point of view time may be on the side of the U.S., but this factor will not show up critically for 10 or 15 years yet.

Secretary Dulles, referring to the proposed new basic concept on the second page of the paper distributed by Mr. Cutler, felt that further study was required on such an obviously complicated subject. He also felt that it would be premature at this time to concentrate on a grouping of nations centered on Japan in the Far East. For some time yet we must deal individually with Far Eastern countries and not alienate them by pushing Japan out in front. He added that of course Japan eventually would become the power center of the Far East.

The President thought it would be desirable to study the proposed new basic concept very seriously. He asked, however, whether the lack of any mention of Greece or Turkey in the proposed new basic concept meant that we were deserting those countries.

Mr. Stassen also expressed anxiety at the omission of the Near East from the paper. He felt that we must not neglect the Near East and the Middle East in our assistance policies.

Secretary Humphrey asked whether the first paragraph of the proposed new basic concept meant a big build-up of U.S. military force. He felt that we should consider less expensive means of carrying out our policy. He agreed with Mr. Stassen that we could not neglect the Near East. Aside from these remarks, he felt that the new basic concept was a good general approach. He added, however, with reference to paragraph 3 of the paper, that he felt U.S. assistance to other countries should be on the decline in the near future.

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[4] The estimate under reference cannot be identified with precision because several papers were being prepared at this time on the general topic of Soviet capabilities. Presumably the reference estimate was either NIE-90, "Soviet Bloc Capabilities Through Mid-1955" of Aug. 18, 1953, or, more likely, SE-36/1,"Soviet Capabilities for an Attack on the US Before Mid-1955" of Aug. 3, 1953. For documentation on Soviet capabilities, including relevant NIEs and SEs, see volume VIII.

The President said that our aid to Europe would be on the decline if we could get Europe to go in for political and economic union. If Europe would do what it should do, conceivably it could by itself defeat Russia. This would not be the case, however, in other areas of the world which could not be built up as military centers.

Mr. Stassen felt that if it should become possible to decrease aid to Europe, the expenditures thus saved should be used in the Middle East and in Latin America, where U.S. access to the sources of raw materials was very important.

General Bradley felt that the Planning Board committee which would work on Project Solarium should not be given too much guidance. The committee would need to approach the question with an open mind and devote careful thought to it.

The President agreed that this was something that could not be done in a big area.[5]

Secretary Humphrey reverted to paragraph 1 of the proposed new basic concept, and asked whether there couldn't be less rather than more military build-up.

The President said that it was part of our policy to build up our capability for action. He agreed that whoever worked on this project in the future should have the broadest possible directive.

Secretary Wilson noted that the new Joint Chiefs of Staff should have an opportunity to comment. He was assured by Mr. Cutler that this would be the procedure.

On the question of timing, Secretary Dulles said that this project would have a profound effect on the next budget. If a new line of policy should be decided upon, the plans and the costs must be known soon.

The President said that probably all military aid should be put in the Defense budget. Under this concept, Mr. Stassen would be an executive agent for both State and Defense. The President said it had a fatal effect on Congress to call a bill a foreign aid bill. Even a member of the Administration, i.e., the Secretary of the Treasury, calls aid bills "give-away bills". The President felt that if military assistance were put in the context of the Defense budget it would sell itself.

Secretary Humphrey agreed that the military budget should be confined to military expenditures and should include all military items.

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[5] A handwritten notation on the source text at this point reads: "arena?".

Secretary Wilson said he was prepared to agree to the proposed new basic concept for the time being if it didn't settle anything.

The President agreed with those who thought the paper did not sufficiently emphasize the Middle East. He said there was no better nation in the whole world to have on our side than Turkey. The President also felt that the language of the proposed new basic concept did not give guidelines for subsequent work on Project Solarium, but rather tended to direct and form the policy. The President asked whether the word "limited" could not be deleted from paragraph 3, since he didn't know what "limited" meant in that context.

The Attorney General said he hated to let paragraph 4 of the proposed new basic concept go by. He thought we should say that we would decide the areas in which an advance by the Soviets beyond present borders would be considered a *casus belli.* He felt, however, that we could not draw a line and announce it to the world.

Secretary Dulles pointed out that the Council was not agreeing with this paper as policy, but as guidance to a Planning Board committee.

The President said that was indeed the case. He suggested the following sentence might be put at the top of the page: "This is a staff exploration based on the following assumptions:". In effect we were setting up Task Force D, which would prepare a report on the basis of the work of Task Forces A, B and C. He suggested that the Planning Board should start work on the project on the basis of guidelines revised in the light of the discussion at the meeting.

Mr. C. D. Jackson then noted that the Solarium studies contained many bits and pieces of desirable actions which should not wait for the preparation of a complete new policy paper. The preliminary steps toward taking some of these actions would cost nothing. For example, the Department of State could investigate the diplomatic possibilities of detaching Satellite X without waiting for the adoption of a new policy.

The President wondered whether a permanent evaluation committee, that is a continuous small staff, might be needed to keep going over the Solarium proposals and recommending those that might be implemented. The President added that if we need to do something, let's do it now; if something should be done, even 24 hours delay is too much.

Mr. Cutler asked whether the situation in Guatemala was the kind of thing Mr. Jackson had in mind.

This prompted the Vice President to inquire whether the proposed new basic concept covered such situations as that existing in

Guatemala, where the Communists took subversive action and we had to take some kind of action as a counter measure.

Mr. Stassen said one part of our concept should be to reduce indigenous Communist power outside the Soviet bloc.

Mr. Jackson agreed with this, and suggested that the Planning Board scrutinize the Solarium studies and extract any items on which action should be taken at once, and make appropriate recommendation to the Council. He added that sometimes every agency in Washington waited for some other agency to take an action which should be taken.

Mr. Allen Dulles said that the present U.S. action in Guatemala was blocked by the reluctance of other countries in the area to go along with us: Consequently, new policy decisions were needed. He said that a paper on Albania had already been sent to PSB.

Secretary Dulles said that in case any action were taken with respect to Albania, it should be in the hands of a task force headed by one competent individual.

The President said Albania was a very difficult case because of the question of who gets it and who gets hurt.

Secretary Dulles said a start could be made on a more positive policy in Albania without the risk of war. Such was not the case in Hainan, which could be taken only by overt military action.

Secretary Wilson said he would like a special study group on Iranian oil. Defense was very unhappy about the situation in Iran. The suits against the oil companies were damaging us seriously in the Middle East.

The President said that studies had been going on for the last five or six years. He had seen all kinds of estimates, and there must be many that he had not seen. He suggested that an inventory might be made in the various departments of studies on the Middle East. The Council might be given a list of these studies and told what they are about, particularly if they contain proposed solutions to our problems.

Mr. Stassen said that Iran would soon bring up some very tough policy decisions. The basic decision was how to keep the Iranian economy afloat without a deal with the British.

Secretary Humphrey said that everyone had been working on the Middle East oil problem for some time. The British had been adamant because of the possible effects on British world-wide prestige. There was no easy way for the U.S. to get around Churchill and avoid worsening our relations with the British.

The President said that the British view was that it would be better to lose the oil, even to the Soviets, than to surrender to Mossadegh.

The National Security Council: [6]

a. Discussed the three alternative national security policies presented by the Solarium Task Forces on the basis of the reference memorandum, and a new basic concept proposed by the Solarium Working Committee and circulated at the meeting as a discussion basis.

b. Directed the NSC Planning Board, with the assistance of representatives of the Solarium Task Forces:

> (1) To draft for Council consideration a new basic national security policy with courses of action, in the light of the above discussion.
>
> (2) Pending the completion of (1) above, to recommend for Council consideration any details of action proposed by the Solarium Task Forces which should be implemented at once, including proposed specific actions with respect to particular Communist-controlled nations.

c. Noted the President's request that an inventory be made of all recent studies by the various departments and agencies which contain proposed solutions of the problems affecting national security in the current Near East oil situation.

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MARION W. BOGGS

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[6] Paragraphs a–c constitute NSC Action No. 868. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

S/S–NSC files, lot 66 D 148, "Solarium"

Memorandum by the Special Assistant to the President for National Security Affairs (Cutler) [1]

TOP SECRET [WASHINGTON,] July 31, 1953.

Points for Consideration in Drafting New Policy

(1) To build and maintain, at the lowest feasible cost, U.S. capability for a strong retaliatory offensive, a base for mobilization, and continental defense.

(2) To concentrate on creating: (a) strong, independent, and self-sufficient groupings of nations, friendly to the United States, centered on Western Europe (including Germany) and on the Far East (including Japan) and (b) a position of strength in the Middle East.

(3) To confine future foreign assistance:

(a) to progressively lessened support of the regional grouping in Western Europe as it becomes self-sufficient;

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[1] This memorandum appears to be a revision of the paper discussed by the NSC at its 157th meeting on July 30; for an extract of the memorandum of discussion, see *supra*.

(b) to supporting the development in longer term of the regional grouping in the Far East and the position of strength in the Middle East.

(c) to limited military aid and technical and economic assistance to other free nations, according to the calculated advantage of such aid to the U.S. world position.

(4) To determine the areas in which any clearly recognizable advance by Soviet bloc military forces beyond present borders will be considered by the United States as initiating general war between itself and the Soviet bloc.

(5) To take selected aggressive actions of a limited scope, involving moderately increased risks of general war, to eliminate Soviet-dominated areas within the free world and to reduce Soviet power in the Satellite periphery.

(6) To take action, other than military, to reduce indigenous Communist power in the nations of the free world.

Note: The foregoing policy—

(1) estimates the risk of general war resulting from aggressive action directed at the Soviet bloc as less grave at the present time than did Task Force "A".

(2) accepts moderately increased risks of general war by taking *some* of the aggressive actions against the Satellites proposed by Task Force "C".

(3) aims during the near future to create a "climate of victory", to bolster the morale and strength of the free world while forcing the Soviet bloc on the defensive.

PPS files, lot 64 D 563, "Chronological, 1953"

Memorandum by the Executive Secretary of the Policy Planning Staff (Watts) [1]

TOP SECRET [WASHINGTON,] August 12, 1953.

Subject: "Solarium", Task Force Reports [2]

Mr. Bowie has directed me to send you the attached copies of the "Solarium" Task Force Reports. For your information, a brief history of the project is set forth below.

1. On the initiative of the President and under the general direction of the Under Secretary of State, the Director of CIA, and Mr.

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[1] Addressed to the following Assistant Secretaries of State: Merchant for European Affairs; Robertson for Far Eastern Affairs; Byroade for Near Eastern, South Asian, and African Affairs; and Waugh for Economic Affairs. It was also sent to Nolting, Special Assistant to the Secretary of State for Mutual Security Affairs.

[2] Not found in Department of State files. For summaries of the Project Solarium presentations and written reports prepared by the NSC Staff and concurred in by the Solarium Task Force representatives, see p. 399.

Cutler, a project was undertaken to reassess our basic national strategy in the face of the Soviet threat. The project was given the name of "Solarium".

2. As a means of defining the alternatives and presenting the problem clearly for NSC consideration, it was decided to lay out three separate lines of national strategy and to call together a group of official and unofficial individuals to work as separate Task Forces in exploring and defending the three main alternative strategies. Each Task Force was made up of seven members, five specially chosen and two members of the current graduating class of the National War College.

3. The three Task Forces undertook respectively to defend the following three national strategies:

a. Present policy as set forth in NSC 153/1,[3] with such improvements and changes in emphasis as might seem desirable;

b. The drawing of a line beyond which the United States would not permit Soviet or satellite military forces to move without provoking general war;

c. A more dynamic and aggressive strategy aimed at creating a climate of victory and reducing Soviet power.

4. The three Task Forces presented their conclusions orally to the NSC on July 16[4] and at the same time submitted their full reports.

5. The NSC referred these reports to the Planning Board for consideration in terms of a re-definition of basic national security policy, taking into account the views and recommendations of all three Task Forces in connection with the attached memorandum on "Points for Consideration in Drafting New Policy".[5] These points were accepted by NSC as guidelines for further study of the problems involved. The Planning Board set up an *ad hoc* committee representing State, Defense, JCS, CIA, Mr. Cutler's office, and representatives of the three Task Forces to coordinate these studies.

It now devolves upon the agencies concerned to undertake the basic studies called for. Mr. Bowie hopes that you or an officer designated by you will give urgent attention to those phases which are within your area and that appropriate members of your staff will be available to work with S/P on developing the basic studies.

Project "Solarium" has been kept under very close security restrictions, and special care should be taken to hold down distribution of the attached documents as far as possible.

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[3] Dated June 10, p. 378.

[4] See the minutes of the 155th meeting of the NSC, p. 394.

[5] Same as the memorandum by Cutler, July 31, 1953, *supra.*

Editorial Note

On August 14, James S. Lay, Jr., Executive Secretary of the National Security Council, transmitted to the NSC copies of NSC 161, "Status of U.S. Programs for National Security as of June 30, 1953". This nearly 1,000-page report was composed of 11 separate papers and an annex. The 11 papers were: (1) "Our Relations with the Free World" drafted by the Department of State, (2) "The Military Program" drafted by the Department of Defense, (3) "The Mutual Security Program" prepared by the Office of the Director for Mutual Security, (4) "The Atomic Energy Program" prepared by the Atomic Energy Commission, (5) "The Mobilization Program" prepared by the Office of Defense Mobilization, (6) "The Stockpiling Program" drafted by the Office of Defense Mobilization, (7) "The Civil Defense Program" prepared by the Federal Civil Defense Administration, (8) "The Psychological Program" prepared by the Psychological Strategy Board, (9) "The Foreign Intelligence Program" prepared by the Central Intelligence Agency and concurred in by the Intelligence Advisory Committee, (10) "The Internal Security Program" prepared jointly by the Interdepartmental Intelligence Conference and the Interdepartmental Committee on Internal Security, and (11) "The Fiscal and Budgetary Outlook" drafted jointly by the Department of the Treasury and the Bureau of the Budget. The Annex, "Some Comparable Data on the Soviet Bloc", was prepared by the CIA. A copy of NSC 161, along with accompanying documentation, is in S/S–NSC files, lot 63 D 351, NSC 161 Series.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 160th Meeting of the National Security Council, Thursday, August 27, 1953 [1]

[Extract]

TOP SECRET EYES ONLY

Present at the 160th Meeting of the Council were the Vice President of the United States, presiding; the Secretary of State; the Acting Secretary of Defense; the Acting Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Acting Director, Bureau of the Budget; the Chairman, Atomic Energy Commission; the Chairman, Joint Chiefs of Staff; the Chief of Staff, U.S.

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[1] Drafted by Deputy Executive Secretary Gleason on Aug. 28.

Army; the Chief of Naval Operations; the Chief of Staff, U.S. Air Force; the Commandant, U.S. Marine Corps; Robert R. Bowie, Department of State; Frank C. Nash, Department of Defense; General Gerhart, Joint Chiefs of Staff; Robert Amory, Jr., Central Intelligence Agency; the Director of Central Intelligence; Robert Cutler, Special Assistant to the President; C. D. Jackson, Special Assistant to the President; the Acting White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the chief points taken.

1. Report by the Joint Chiefs of Staff [2]

Mr. Cutler introduced the subject report by reading to the Council the President's directive to the Secretary of Defense. [3] Thereafter the Chairman, Joint Chiefs of Staff, read the memorandum to the Secretary of Defense dated August 8, 1953, [3] and signed by himself, General Ridgway, Admiral Carney and General Twining, which constituted the report called for by the President. (A copy of this report is filed with the minutes of the 160th NSC meeting.) [4]

When he had finished reading the report, Admiral Radford pointed out that it had been drafted by its four authors before they had taken office and prior to any staff discussion, in the interests of preserving secrecy. Accordingly, the document represented the views of the Joint Chiefs of Staff before they had had an opportunity to become acquainted in detail with existing plans and programs. In sum, Admiral Radford stated that this report represented the view of the four individuals who had written it regarding the problems we faced today.

The Vice President inquired whether the military program set forth in this report would not cost more than the current program.

Admiral Radford replied that, on the contrary, it would ultimately cost less. It would, he pointed out, take time and money to make the redeployments and alter the commitments contemplated in the report, but once these changes had been made it would be possible to effect substantial savings.

The Vice President then inquired whether the report still contemplated the maintenance of United States bases overseas.

Admiral Radford answered "yes". While the report certainly contemplated bringing back U.S. personnel in large numbers, we proposed to keep our bases and to try to get indigenous personnel to take over certain tasks in overseas bases now being performed by U.S. military personnel.

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[2] For information on the presumed origins of the report under reference, see the editorial note, p. 394.

[3] Not found in Department of State files.

[4] The report has not been found. Regarding the minutes of NSC meetings, see footnote 1, p. 394.

The Vice President then asked whether the report contemplated a complete change of United States foreign policy with respect to Europe.

Admiral Radford replied that it certainly contemplated a review of our commitments to NATO.

Secretary Dulles observed that he had hitherto assumed that, in the main, the purpose of our military bases on foreign soil was to deter global war or, if it occurred, to win the war. To him this involved the maintenance of bases around the perimeter of the USSR. "Am I correct", asked Secretary Dulles, "in assuming that most of these bases would be maintained in terms of Admiral Radford's report?"

Admiral Radford replied that Secretary Dulles' assumption was correct. We would certainly continue to deploy naval and air forces abroad; though in the case of Air, at least, such forces would be rotated. All the bases would be maintained in a state of effective readiness even if U.S. personnel might not be fully deployed in each base all the time.

Secretary Dulles stated that the Joint Chiefs would certainly wish the United States to carry out a foreign policy designed to preserve these overseas bases.

Admiral Radford replied in the affirmative, and then asked if any of the other Chiefs wished to comment.

Admiral Carney stated that the members of the Council should bear in mind that certain conditions had been imposed on the Chiefs in the preparation of this study, particularly budgetary limitations. As a result, the authors of the report could discern only one course of action which would concurrently safeguard the national security and meet the budgetary limitation. So serious were the implications of the course of action selected that the views expressed in the report might, upon closer examination, prove unacceptable. Nevertheless, continued Admiral Carney, we look on the present proposal as a modification rather than as a reversal of existing basic security policy.

Secretary Dulles observed that the heaviest impact of the course of action recommended by the Joint Chiefs of Staff would be the reduction of United States land forces in Central Europe, Japan, and Korea. This would mean, he presumed, greater dependence, for preserving the security of these areas, on the deterrent force represented by air power and atomic weapons.

Admiral Carney replied that he was unable to give a categorical answer on this point. Air and naval forces alone, he believed, could never constitute an effective deterrent to enemy ground attack.

Certainly, continued Admiral Carney, this report would involve a most careful examination of the question whether we want to try to fight a war on the overseas periphery—as remote as possible from the continental U.S.—or, on the contrary, greatly reduce this peripheral defense.

Admiral Radford then called attention to the fact that available trained reserves of military manpower were almost used up. Quite apart from the budgetary considerations, this fact had weighed heavily in the conclusions reached in the report. Our allies, said Admiral Radford, must be induced to supply more men for the task of common defense.

Secretary Dulles answered that he had said just this, and in very vigorous language, to the Prime Minister of Japan recently.[5] He had urged the necessity for larger Japanese forces to provide the initial defense of Japan against Communist attack. Another factor which seemed to Secretary Dulles of great importance, was that dependence on mobile U.S. forces would largely obviate the very difficult public relations problem invariably occasioned when large U.S. forces were stationed in foreign countries. It was not, therefore, wholly a question "whether you've got the men to put there and the money to keep them there", but the international friction which the presence of these forces produced nearly everywhere. In general, continued Secretary Dulles, he found himself very sympathetic to the report's approach, but he was worried as to how the redeployment of U.S. forces could be carried out without causing foreign governments and peoples to conclude that the U.S. thought the menace of the USSR and of global war had diminished or vanished. There would be very great danger if we withdrew completely from Europe or from other areas where our security dictated that we maintain some troops. This was all the more true since the governments of many friendly nations were at the moment themselves tending to lower their defense sights. Moreover, most such governments simply could not afford to increase their defense contributions to a point which would take up the slack after our withdrawal.

In response to Secretary Dulles, Admiral Radford stated that the Chiefs had had no illusions as to the difficulty of the course they had chosen. It was necessary, however, to consider the counterweights to the withdrawal and redeployment of American forces. In the first place, Admiral Radford argued that it is generally realized by all friendly foreign nations that a strong United States is the greatest deterrent to the launching of global war by the Soviet Union. Secondly, the report had stressed the necessity for spelling out clearly, to our friends and to the enemy, our national objectives and policies. This would involve clearly stating that we are concentrating our great strength and not merely abandoning our allies.

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[5] For additional information on the Secretary's conversation with Prime Minister Yoshida, see telegram 13 from Tokyo, Aug. 7, 1953, scheduled for publication in volume XIV.

Secretary Humphrey, who had thus far remained silent, stated that the report was "terrific". He could not be more impressed. This was the most important thing that had happened in this country since January 20.

Secretary Kyes agreed that the Joint Chiefs' report was an historic event.

General Ridgway then stated that he wished to make a few comments on what seemed to him a very profound question and problem. He said that he desired to emphasize in the first place that the present report did not constitute the corporate view of the Joint Chiefs of Staff, but rather the view of the individual Chiefs prior to their taking office. It was as dangerous to construe this report, on the one hand, as a withdrawal of American power into the Western Hemisphere as, on the other, for the U.S. to embark on preventive war. Certainly, said General Ridgway, he desired to make it crystal clear that he did not subscribe to the withdrawal of our forces stationed overseas. After all, the present report merely recommended a careful examination of the concept it set forth.

Secondly, General Ridgway insisted that he would not possibly subscribe to any theory that you could prevent war through the deterrent effect of any single military arm. Thirdly, implementation of the concept in this report would have to be most carefully phased and timed. Securing adequate protection of the vitals of the American continent did not mean that you abandoned Europe, though General Ridgway said he was personally ready to admit that the United States could not, at one and the same time, assure adequate defense of the continental United States and an adequate defense posture overseas.

The Vice President then inquired whether he was correct in assuming from this report that in the event of a major conflict the United States would use atomic weapons both in the tactical and in the strategic realm.

Admiral Radford replied that this was indeed the case, and that it would require public announcement regarding the use of atomic weapons. Admiral Radford went on to say that, as he saw it, we had been spending vast sums on the manufacture of these weapons and at the same time we were holding back on their use because of our concern for public opinion. It was high time that we clarified our position on the use of such weapons if indeed we proposed to use them.

Mr. Jackson then asked Admiral Radford if it had occurred to the authors of the report that even a slow and partial redeployment of U.S. forces back to this country would be interpreted widely abroad as a withdrawal to Fortress America.

Admiral Radford replied that this point had been prominent in the thinking of the Chiefs, but went on to say that it had seemed to him quite possible that the continuation of our present deployment presented problems almost as difficult. We could not, for example, hope to station troops forever in Japan. There was also the friction which the presence of such forces engendered. So you had to balance one evil against another.

Mr. Jackson commented that we must make our position clear before we proceeded to carry out our plans, if the worst effects of executing this policy were to be avoided.

Admiral Radford expressed agreement with this point, and noted the very strong sentiment in Congress for just such a move as seemed to be contemplated in this report. It would be easy for the Congress to misunderstand seriously the intent and extent of the redeployment.

Mr. Cutler remarked that he had been very much impressed with Admiral Radford's comments on the manpower problem as it affected the armed forces, and asked whether Admiral Radford would not expand on this subject now. If the draft law expires next year, for example, how would we get the men necessary to do the job?

Before Admiral Radford could reply to Mr. Cutler, Secretary Kyes said he felt impelled to point out the very heavy responsibility that we all have to see to it that our American men and women in the armed forces were properly paid and pensioned. These men and women were, after all, the heart of our defense. They were not being adequately rewarded now, and our Congress and Government should feel obliged to recognize the need for proper compensation to these splendid men and women.

It then became the turn of General Twining to comment on the JCS report. He said he wished to concur in everything that Admiral Radford had stated. He added that each of the four authors of the report had in the first instance prepared a statement of his own views and had presented these views unilaterally. Nevertheless, all four papers closely resembled each other.

Secretary Kyes then inquired whether the authors of the report would have had different views if the budget problem had not been introduced. General Twining replied "no".

The Vice President observed that money was obviously a consideration. But, he inquired, even if we had had the required money, would we have preferred to continue the policy and program which was currently in effect?

Admiral Radford replied that this had been Admiral Carney's position, but not that of the others.

The Vice President then asked if it was the unanimous opinion of the four Chiefs that the United States was now over-extended. All four answered in the affirmative. In that case, said the Vice President, we would be obliged to redeploy our forces even if it were to prove possible to find the money to support the present deployment of our forces overseas.

Agreeing with the Vice President, Admiral Radford expressed the strong personal opinion that there were other factors than money alone which clearly dictated a redeployment. For one thing, it would be impossible for the United States to maintain armed forces of the present size and composition on any voluntary basis.

Mr. Flemming said that this was a problem which ODM had been intensively studying. He was therefore much interested in the statement in the report that any significant augmentation of our armed forces would compel us to go to full mobilization.

Secretary Humphrey added that not only would it be necessary to go to full mobilization because of manpower shortages, but it would also be necessary to resort to a controlled economy, since we were taking all that we could take out of our economy short of such controls.

The Vice President said that as he understood the present report, the Chiefs of Staff had first studied the enemy's capabilities and intentions and had concluded that plans and programs which had been made in 1950 would inevitably be different from the plans that we would make at present. In 1950, the primary danger posed by the Soviets was an attack on the ground against Europe. At that time, moreover, we had, of course, tremendous atomic superiority over the Soviet Union. Now, however, or thinking in terms of, say, 1955, the enemy himself will have large atomic resources in addition to extensive ground forces. Would it be true, inquired the Vice President, that to the extent that the enemy has acquired sufficient atomic capability to launch a devastating attack on the United States, the problem of coping with this attack becomes more prominent, while the problem of coping with a conventional attack recedes?

In reply, Admiral Radford stated that after the outbreak of the Korean war in June 1950, we really did not know the enemy's ultimate intentions, so all we could do was to build up our forces in all categories. This was sound. We commenced to build up our military establishment so that it could be ready for a full-scale war effort at a certain date. No military man, continued Admiral Radford, could conceivably disagree that we must continue to keep our armed forces built up. The atomic factor, however, now looms much larger, and the problem of continental defense is now much more important than it seemed in the summer of 1950.

Secretary Dulles then inquired why the general program set forth in the JSC report would cost less. Does it, for example, cost less to maintain troops at home than abroad?

Admiral Radford answered that it would cost less to maintain these forces in the United States, but, quite apart from this factor, one could anticipate a much higher enlistment rate in our armed forces if our soldiers and sailors did not have to contemplate the separation from their families which resulted from deployment overseas. Still other benefits would accrue to our training program and the use of our pool of specialists.

Secretary Dulles said that he took it that the present report had not gone into the question of the costs of our military assistance program. Admiral Radford replied that it had not done so in detail, and Secretary Dulles went on to inquire what would happen to this program now. There could be no denying that NATO is sick at the present time. There was great uncertainty and dissension among the member nations. Secretary Dulles planned to have a preliminary meeting about the first of October with the Foreign Ministers of the NATO states. This would be devoted largely to generalities as to the political situation, since the NATO powers were not as yet ready to talk about force goals for the next year. The latter subject would come up at a full NATO meeting in December. In any case, continued Secretary Dulles, in order to keep the spark of life alive in the NATO body, it would be necessary to have this October meeting. Accordingly, it was absolutely vital to make up our own minds as to our program and policy before these NATO meetings, and particularly prior to the December meeting. The time was all too short to educate and lead public opinion in the desired direction.

Secretary Humphrey responded to this statement by pointing out that we could not go on as we have been going another year. What with the hydrogen bomb, people are demanding a genuine reappraisal of our national security position. The stage was now all set. If we did not walk out onto the stage, the results would be terrible.

Secretary Dulles replied that while this might be true, the change of policy proposed in the JCS report could result in a grave disaster if we were not allowed sufficient time to prepare public opinion abroad for this change. Domestic opinion would, of course, be delighted with this new concept. The difficulties would come overseas.

From the standpoint of proper implementation, inquired the Vice President, would it not be desirable to relate the Joint Chiefs' report to the Solarium study?

Secretary Humphrey recommended that the Solarium study be suspended, but Secretary Dulles replied that the study would be very useful.

Mr. Cutler commented that it seemed to him that the Council had reacted very favorably to the report by the Joint Chiefs of Staff. He then suggested that he should report this reaction to the President and inquire whether the President wanted (1) the Joint Chiefs to review the military program in detail and make specific recommendations for carrying out the concept of their report; (2) to inform the NSC Planning Board to take the views of the Joint Chiefs into account in their preparation of a new basic policy; and (3) to ask the Psychological Strategy Board to develop the best possible program to handle the psychological problems with our allies that the adoption of the Joint Chiefs' concept would pose.

Secretary Humphrey thought Mr. Cutler's proposal rather too involved. It seemed to Secretary Humphrey that the next important step was for the State Department to explore carefully and to digest the implications of adopting the JCS concept. On the military side there seemed little more to do.

Admiral Radford expressed his emphatic agreement with Secretary Humphrey that for the present no more study was needed by the Pentagon. What was required was a decision by the National Security Council as to the validity of the general concept advanced by the JCS report. Accordingly, the first thing was to provide the President with an expression of opinion by the members of the National Security Council.

Mr. Cutler, on the other hand, said that he felt it undesirable for the Council to offer the President any final opinion on this report until the State Department and the PSB had had an opportunity to study the report from the foreign policy and psychological viewpoints, and give their views to the Council.

Secretary Dulles expressed the opinion that the President would probably want the State Department to explore the whole matter. The problem was extremely delicate, and its solution would require time.

Mr. Cutler then asked whether the Council should leave the report substantially in the hands of the Secretary of State to head up the process of exploring whether and how its concept could be carried into effect.

Secretary Dulles concurred in this suggestion, and pointed out that after the State Department had reached an opinion on the report, he would certainly want the Psychological Strategy Board to study the public relations aspects.

Secretary Humphrey expressed his conviction that at present the United States lacked an adequate defense for its own vitals. Obviously, such defense must be provided, and quickly. This could be done in one of two ways: We can either do everything that we are doing now in providing for our national security, and add continental defense to the total; or else we can follow the view expressed in the present report, cut down on what we are doing elsewhere, and jack up our continental defense. It was up to the Secretary of State, continued Secretary Humphrey, to answer the significant question whether the course of action suggested by the Joint Chiefs' report was a wise course of action.

Mr. Flemming said that while he agreed that much more attention must in the future be paid to the defense of the continental United States, he was not willing to commit himself in favor of the JCS report until the Secretary of State had studied all its foreign policy implications.

Secretary Dulles then informed the Council that in his recent speech to the American Bar Association in Boston [6] he had urged that no single country, not even the United States, could, out of its own resources, adequately match the strength of a powerful totalitarian state. We were in no position to extract from our people what tyrannical rulers could extract from their people. The attempt to do so would "bust us". Accordingly, the only way the free world could hope to maintain sufficient strength so that each of its members did not "go broke", was the pooling of resources. The combined resources of the nations of the free world, if effectively employed, could be enough to offset the Soviet bloc. Therefore, to take any measures which destroyed the unity of the free world, or shifted the defense burden to the United States alone, would not be a real economy in the long run. The "art of the thing" is to reshape our policy and program in such fashion that we can still maintain enough free world cohesion to provide for a common pooling of resources. Isolation, warned Secretary Dulles, would cost the United States dearly in the long run. Secretary Dulles prophesied that this reshaping could probably be accomplished, but he pointed out that the whole free world was in the grip of nervous tension and greatly feared a revival of the Fortress America concept. We must handle ourselves carefully, therefore, if we would avoid disaster.

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[6] Secretary Dulles' address before the American Bar Association at Boston on Aug. 26, 1953 entitled "The U.S. Constitution and the U.N. Charter—An Appraisal," is printed in Department of State *Bulletin*, Sept. 7, 1953, pp. 307-310.

Secretary Kyes said that he thought Admiral Radford had specifically warned against any reversion to the idea of Fortress America. Admiral Radford replied that he had warned against such a course, and that the Chiefs had all appreciated the seriousness of the problems which Secretary Dulles had raised. He wondered, however, if there was not another aspect of maintaining large American forces overseas which was far from favorable. Would not such a course lead many of the nervous governments and peoples of Europe to continue to think that the United States was actively seeking war? The redeployment proposed in the present report might, if carried out, go far to spike the argument that this nation sought war. Admittedly, however, the problem of clarifying our intentions overseas was crucial.

Secretary Humphrey stated succinctly that the next move was the Secretary of State's.

The Vice President observed that he assumed that the JCS concept was still a concept of standing up to the USSR and not knuckling down to it.

The Secretary of State then drew an analogy between the maintenance of troops in various states of the United States and the concept of deployment contained in the present report. He argued that the citizens of New York, Texas, or Massachusetts, did not consider themselves vulnerable to attack and invasion because our troops were quartered in Louisiana, Illinois, or some other state. We knew we were safe because, while our troops were concentrated, they could quickly be dispatched to the danger zone. What was necessary was to gain acceptance for this kind of concentration among the peoples of the free world. If we do not succeed in selling this interpretation of the proposed redeployment, we can anticipate that the governments and peoples of the free world will dismiss our proposed new policy as simply camouflaged isolation.

The Vice President pointed out that the idea of Fortress America had originally arisen during the great debate on foreign policy prior to American entry into the second World War. At that time it meant to its exponents that America could be defended, but Europe could not. We now believe, however, that we can defend all vital parts of the free world by applying the principle of concentration of forces. This, insisted the Vice President, was *not* the Fortress America of the past.

Thereafter, discussion centered on the nature of Council action on the report and on the relation between this report and the Solarium study. Mr. Cutler pointed out that this relationship would have to be worked out, and meanwhile every effort must be made to prevent leaks as to the content of the JCS report.

On the latter point, General Ridgway asked permission to repeat his belief that if NATO got any inkling of the content of this new concept, rightly or wrongly, the NATO powers would almost certainly construe it as an abandonment, and the consequences would be terrifying.

Admiral Carney expressed a different view. He said that the United States had always considered that it would withdraw its own contribution to the NATO forces at such time as the European states had achieved the capacity to defend themselves. In the parts of Europe, he went on, with which he was well acquainted, the authorities were not seeking the presence of our forces, but rather assistance in building their own. For this reason, Admiral Carney was convinced that the concept of redeployment could be sold without the consequences which some members of the Council feared.

Admiral Radford, agreeing with Admiral Carney, pointed out that we might well be obliged to redeploy our divisions in Germany whether we adopted the concept in the JCS report or not. If the EDC failed of ratification and it was decided that Germany should be neutralized, we would be obliged to withdraw U.S. forces from Germany, and Admiral Radford said he could think of nowhere else in Europe where they could be sent. Apart from the faint possibility that some of these forces could be sent to French Morocco, General Ridgway agreed that there was no place in Europe to which these troops could be sent.

At the conclusion of the discussion, Secretary Humphrey again warmly praised the work of the Joint Chiefs. He appeared to speak in this respect for all the Council members, to a greater or lesser degree.

The National Security Council: [7]

a. Noted the oral report by the Joint Chiefs of Staff, prepared at the direction of the President prior to their taking office.

b. Agreed to recommend to the President that the Secretary of State be authorized to explore, from the point of view of foreign policy, the possibility of adopting the concept set forth in this report.

Note: The action in b above subsequently approved by the President and transmitted to the Secretary of State for appropriate action. [8] In approving this recommendation, the President stated for the record that the "concept" was a crystallized and clarified statement of this Administration's understanding of our national security objectives since World War II.

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[7] Paragraphs a–b constitute NSC Action No. 889. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

[8] See the memorandum by the President to the Secretary of State, Sept. 8, p. 460.

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S. EVERETT GLEASON

Editorial Note

On September 2, President Eisenhower issued Executive Order No. 10483 (18 *Federal Register* 5379) establishing the Operations Coordinating Board. This action was based upon recommendations contained in the report submitted to the President on June 30, 1953 by William Jackson, head of the President's Committee on International Information Activities. For documentation on the Jackson Report, see pages 1795 ff.

According to the President's Executive order, the objectives of the Operations Coordinating Board, "which shall report to the National Security Council," were to provide for the integrated implementation of national security policies by the several agencies concerned. The Board was composed of the Under Secretary of State (chairman), the Deputy Secretary of Defense, the Director of the Foreign Operations Administration, the Director of Central Intelligence, and a representative of the President. C.D. Jackson was immediately appointed to the latter post. The creation of the Operations Coordinating Board was accompanied by the simultaneous abolition of the Psychological Strategy Board.

S/S-NSC files, lot 66 D 148, "Misc. NSC Memos"

Memorandum by the Special Assistant to the President for National Security Affairs (Cutler) to the Secretary of State

TOP SECRET WASHINGTON, September 3, 1953.

1. While briefing the President yesterday in Denver about the Council meeting on August 27: (a) the President read again the report signed by the four new Joint Chiefs; (b) he then read my memo of 1 Sept. 53, entitled "August 27/53 NSC Meeting", of which you have a copy; (c) I then gave him the substance of Stassen's comments on these two papers, Stassen having read them on September 1 on his return from Europe; and (d) I lastly outlined to him the substance of the views which you expressed in your office to Bowie and me Tuesday night. [1]

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[1] Neither the report, the memorandum, nor any record of the substance of Stassen's comments under reference has been found. For that portion of the memoran-

Continued

2. The President was much interested. In approving the Council Action, reading—"agreed to recommend to the President that the Secretary of State be authorized to explore from the point of view of foreign policy the possibility of adopting the concept set forth in this report," He added, for the final version of the record of action the following words of his own: "This concept is a crystallized and clarified statement of this Administration's understanding of our national security objectives since World War II." He reiterated several times that the concept was not new; must and could not properly be thought of or mentioned as new.

Then he had me write down the following as he walked up and down the room:

> "From the beginning, people who really studied foreign and military problems have considered that the stationing of American troops abroad was a temporary expedient.
>
> "It was a stop-gap operation to bring confidence and security to our friends overseas, who were desperately exposed to Communist aggression.
>
> "Any thinking individual, in the services or out, always understood that the basic purpose of so stationing American troops was to produce among our friends morale, confidence, economic and military strength, in order that they would be able to hold vital areas with indigenous troops until American help could arrive.
>
> "This idea from the beginning placed a premium on
>
> (1) safety of the US from surprise and destructive attack,
> (2) existence of highly mobile forces,
> (3) comprehensive mobilization plans quickly to marshal our entire strength in support of our national security (ourselves and our friends)."

Then he went on that I was to add to the foregoing that this idea of the JCS must never be presented as a "new concept"—that it was a "reaffirmation and clarification of what he had always understood."

3. I told him that you had similarly spoken to me on Tuesday night. When I told him the further views you had expressed at that meeting of the only way you now saw to work the matter out, he was extremely interested and reacted favorably. He said that, of course, our friends would have to understand our basic thinking at some time. He took to the dramatic idea which you stated and the reason you expressed for mentioning extreme secrecy.

4. In answer to a question, I said that I did not understand that you proposed *now* to hold diplomatic conversations with our allies

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dum of discussion at the 160th meeting of the NSC on Aug. 27, 1953 dealing with the report of the Joint Chiefs of Staff, see p. 444. Secretary Dulles' appointment book indicates that Dulles, Bowie, and Cutler met at 6 p. m., Tuesday evening, Sept. 1, 1953. (Dulles papers, "Daily Appointments") about the matter, but only to explore ways and means with your own associates.

5. He said he would be interested to see you any time you would come out to Denver. Simply call up Tom Stephens and make a convenient time (Tom will be expecting a call). The President expects to be in Denver constantly until he comes East about the 17th or 18th. The sooner you see him, the better.

6. After he approved the Record of Action of the Council Meeting as above-noted, he indicated in reply to a question that he thought this return to our original thinking could and should be included in the Solarium Policy Paper, kept appropriately quiet and without attribution.

7. The new H-bomb development, which we discussed, [2] was on his mind. Even before that, he had doubts he said about how much we should poke at the animal through the bars of the cage.

ROBERT CUTLER

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[2] For documentation on the reaction of the Eisenhower administration to the detonation of a Soviet thermonuclear device in August 1953, see pp. 1185 ff.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum by the Secretary of State [1]

TOP SECRET [WASHINGTON?,] September 6, 1953.

Our collective security policies require urgent reconsideration.

I.

From the U.S. standpoint there is need of:

(1) Increased continental defense.

(2) Increased emphasis on effort to lead in non-conventional weapons (A-H-guided missiles, etc.).

(3) Increased strategic reserves in lieu of committals abroad never intended to be permanent.

(4) Budgetary balance and monetary stability.

(5) Adaptation to man-power shortage.

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[1] The source text does not indicate to whom this memorandum was addressed. However, the President saw it and commented upon it; see his memorandum to Secretary Dulles, *infra*. Accordingly to his appointment book, Dulles met at his home separately with Bowie and MacArthur during the afternoon of Sunday, Sept. 6, before boarding a plane for Denver. This memorandum could have been drafted either in Washington, en route, or the evening of Sept. 6, after arrival at the "Summer White House". (Dulles papers, "Daily Appointments")

A notation on the source text reads: "not indictment."

II.

The availability to SAC of bases in other countries must be reappraised. Many are not available except with a consent which is becoming increasingly unlikely. As Soviet A and H power increases the countries containing these bases increasingly look upon them as lightning rods rather than umbrellas.

III.

The semi-permanent presence of U.S. land forces with dependents abroad is an irritant, now acute only in Japan but eventually troublesome elsewhere.

IV.

From the standpoint of European Allies the NATO concept is losing its grip because:

(1) NATO assumed U.S. atomic supremacy, which Churchill called the "supreme deterrent" saving Europe. NATO supplemented this by assuring that there could not be a conquest of Europe so quick and easy that it would not lead to an all-out U.S. effort, which, it was assumed, the Soviet Union would not risk. That assumption is now shaken.

(2) A and H and guided missile developments in Russia increasingly frighten nearby areas where there is no defense against quick attack. Also, they feel U.S. vulnerability is becoming such that we might stay out if Europe were attacked first. And if the U.S. were attacked first, Europe might prefer to stay out.

(3) Our allies budget problems are even more acute than ours and are no longer being relieved by such U.S. liberality as put $30 billion of economic aid into Europe during the six years, 1946-51.

V.

Against the above background, the Soviet "peace offensive" invites wishful thinking, on the part of NATO partners and Japan, that the danger is past and that neutralism and military economy are permissible.

VI.

A U.S. shift of emphasis, reflected by new military dispositions and changed budgetary approaches in favor of increased continental defense and greater strategic mobility, would probably be interpreted abroad as final proof of an isolationist trend and the adoption of the "Fortress America" concept. I doubt that any eloquence or reasoning on our part would prevent disintegration and deterioration of our position, with our growing isolation through the reaction of our present allies. The resources of the free world would then no longer be in a common fund to be drawn on for community security, and the balance of world power, military and economic, would doubtless shift rapidly to our great disadvantage. We would not in fact have gained greater security, and expenditures would have to mount very sharply, so that any economy would be short-lived.

However, for reasons above given, we cannot avoid a major reconsideration of collective security concepts.

VII.

An alternative which could be explored is the possibility of taking this occasion to make a spectacular effort to relax world tensions on a global basis and execute such mutual withdrawals of Red Army forces and of U.S. forces abroad as would itself make possible:

(1) Stabilization of NATO forces and of prospective German forces at a level compatible with budgetary relief.
(2) Creation by U.S. of strategic reserve in U.S.

The plan would include limitation of armament and control of weapons of mass destruction.

Within the framework of such a settlement the results desired could be achieved with an increase rather than a decline of U.S. influence and without risk of our being isolated. It would also end the present state of strain which breeds distrust and intolerance, which undermine our traditional American way of life.

VIII.

The present is a propitious time for such a move, if it is ever to be made, because we will be speaking from strength rather than weakness.[2]

(1) The Armistice achieved in Korea, in an atmosphere of our willingness to enlarge the war unless the armistice was accepted.
(2) The major reversal of Soviet expectations in Iran.
(3) The presumptive willingness of the French, with our cooperation, to be more vigorous in Indochina, rather than to withdraw as most had expected.
(4) The Adenauer victory in Germany.

Also the full impact of Soviet advances in non-conventional weapons has not yet been felt in Europe and Japan. Also NATO, while nervous, is holding on awaiting the Council meeting in December.

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[2] A handwritten notation in the margin reads: "This, I think, is important!"

Our new revealing budget will not have to be unveiled until the year end.

GENERAL CONCEPTS

1. Broad zone of restricted armament in Europe, with Soviets withdrawn from satellites and U.S. from Europe.
2. Satellites politically freed, but oriented (friendly) to U.S.S.R. (note. Finland)
3. International control of A-H-and guided missiles.
4. End "world revolution" mission of Soviet Communist Party.
5. Open up East-West trade.
6. Indochina—Formosa—Red China.

PROCEDURE

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From FOSTER

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum by the President to the Secretary of State [1]

TOP SECRET

DENVER, September 8, 1953.

I.

With respect to your outlined argument [2] for reconsideration of security policies, I am in general agreement with the points you make. The following are specific comments:

A. I am doubtful whether we can, as a practical matter, greatly increase the emphasis we are now placing upon assuring our lead in non-conventional weapons.

B. While it is true that the semi-permanent presence of United States Forces (of any kind) in foreign lands is an irritant, any withdrawal that seemed to imply a change in *basic* intent would cause real turmoil abroad.

C. I note that you say the United States has put thirty billion dollars of economic aid into Europe during the six years—1946-51. I assume you have looked up these figures, but I have often heard Paul Hoffman [3] say that the total was something on the order of fourteen billion under ECA.

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[1] This memorandum was preceded by several previous drafts. Copies of these drafts, containing in some instances the President's own handwritten changes, corrections, and additions are in the Eisenhower Library, Eisenhower papers, Whitman file.

[2] See the memorandum, *supra*.

[3] Paul Hoffman, a corporation and foundation executive, was also head of the Economic Cooperation Administration (ECA), 1948-1950.

D. I am in emphatic agreement that renewed efforts should be made to relax world tensions on a global basis. Mutual withdrawals of Red Army Forces and of United States Forces could be suggested as a step toward relaxing these tensions.

E. I agree also that whatever move we make in this field should be done at a reasonably early date.

A general comment is that programs for informing the American public, as well as other populations, are indispensable if we are to do anything except to drift aimlessly, probably to our own eventual destruction.

There is currently much misunderstanding among us. Our own people want tax relief; but they are not well informed as to what drastic tax reduction would mean to the security of the country. They have hoped, and possibly believed, that the Armistice achieved on the Korean battlefield is a prelude to an era of better relations between ourselves and Russia. The individual feels helpless to do anything about the foreign threat that hangs over his head and so he turns his attention to matters of immediate interest—farm supports, Taft-Hartley Act, taxes, drought relief, and partisan politics. Abroad we and our intentions are suspect because we are known to be big and wealthy, and believed to be impulsive and truculent.

If we are to attempt real revision in policies—some of which may temporarily, or even for a very extended time, involve us in vastly increased expenditures, we must begin now to educate our people in the fundamentals of these problems.

Among other things, we should describe the capabilities now and in the near future of the H-bomb, supplemented by the A-bomb. We should patiently point out that any group of people, such as the men in the Kremlin, who are aware of the great destructiveness of these weapons—and who still decline to make any honest effort toward international control by collective action—must be fairly assumed to be contemplating their aggressive use. It would follow that our own preparation could no longer be geared to a policy that attempts only to avert disaster during the early "surprise" stages of a war, and so gain time for full mobilization. Rather, we would have to be constantly ready, on an instantaneous basis, to inflict greater loss upon the enemy than he could reasonably hope to inflict upon us. This would be a deterrent—but if the contest to maintain this relative position should have to continue indefinitely, the cost would either drive us to war—or into some form of dictatorial government. In such circumstances, we would be forced to consider whether or not our duty to future generations did not require us to *initiate* war at the most propitious moment that we could designate.

I realize that none of this is new to you—in fact, we talked it all over the other day. I put it down here merely to emphasize the fact that a re-study of our position, and even the adoption on a unanimous basis of radically revised policies by the President, the Cabinet, and the bipartisan leaders of the Congress, would not, in themselves, be sufficient to assure the accomplishment of the resulting objectives. *We must have the enlightened support of Americans* and the informed understanding of our friends in the world. Moreover, all of these people would have to understand that increased military preparation had been forced upon us because every honest peaceful gesture or offer of our own had been summarily rejected by the Communists.

I well realize that the procedures and plans for accomplishing all that I have hinted at above, will first require intensive study by the ablest group of individuals we can possibly assemble. We are already overworking the staff of the Security Council, the only group presently established to study these questions on the broadest, inter-departmental, scope. But if your memorandum proves nothing else, it proves that we must get our thinking on these vast problems organized and coordinated so that as a first step all in responsible positions can have confidence that our conclusions are essentially correct. After that a carefully thought out program of speeches, national and international conferences, articles, and legislation, would be in order.

II.

With respect to the draft of your speech to the United Nations, [4] I started out on page one to suggest certain editorial corrections. However, I then remembered that you had said that you had done no editing whatsoever, and so I abandoned that effort.

I think, of course, that the speech will be timely and informative. My chief comment is one of a rather general character. As I read it, I had the impression, particularly in the first part, that the speech is intended as a new indictment of the Bolshevik Party, the USSR, and the Communist Governments in the world. Now I have no quarrel with indicting and condemning them, but I wonder whether or not, in front of the United Nations Assembly, this would be the proper approach. Realizing that you must recite certain facts and instances of guilt on the part of the Soviets, I rather feel that it would be well to state flatly in the beginning that you have no intention of producing a Philippic—that your purpose is to advance the cause of conciliation and understanding and not to be concerned merely with excoriation. The recital, therefore, of past misdeeds, including broken faith, calumny, or anything else, would be made—let us say—regretfully, and only to establish the basis for proceeding more constructively in the future.

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[4] Reference is presumably to Secretary Dulles' address made before the General Assembly in general debate on Sept. 17, 1953, entitled "Easing International Tensions: The Role of the U.N.," printed in Department of State *Bulletin*, Sept. 28, 1953 pp. 403-408.

I shall not belabor this point further. You can decide whether or not it has any validity. But I think that the speech can be made positive and clear without giving the impression to our opponents or to our friends that we are merely concerned with showing that we have been very nice people, while the others have been very wicked indeed.

As for the rest, I have no detailed comments to make, but because of my respect for Cabot Lodge's judgment and his familiarity with these problems, I would suggest that he be consulted before your text reaches its ultimate form.

III.

It was fine to have you out here.[5] I am amused, in reading my morning papers, to find that the reporters who had insisted that you and I are at odds, found new evidence to support their contentions in the fact that we visited for several hours together. It is amazing to find such little regard for fact in a nationally known member of the Press. I rather think that he got out on a limb and has been busily engaged in trying to show that he was correct all the time.

I assure you that I thoroughly enjoyed your visit; my only regret was that you had to take such a long trip in order that we could go over together the critical international problems that cry out for study and contemplation and action. I am truly obligated to you for the time and trouble you took to make the trip.

As ever,

[DWIGHT D. EISENHOWER]

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[5] Secretary Dulles and President Eisenhower met at the "Summer White House" on the morning of Sept. 7, and Secretary Dulles then returned to Washington.

Editorial Note

Throughout the first three weeks of September 1953, the Special Committee on Project Solarium continued to draft, consider, and debate various papers designed to articulate a new basic national security policy. The draft papers fell under three general headings: general objectives, general courses of action, and specific regional and economic policy statements. On September 18, Lay circulated to the Planning Board of the National Security Council a 42-page draft statement of policy on the subject "Review of Basic National Security Policy" for consideration by the Planning Board at its meeting on September 22. Prior to that meeting, Policy Planning Staff Director Robert R. Bowie received draft comments on the draft policy statement from S/AE, NEA, OIR, and FE. Following that meeting, further proposed changes in the draft policy statement were submitted to Bowie by Henry Owen of OIR. Copies of the draft papers under reference are in PPS files, lot 64 D 563, NSC 153–162, "Chronological, 1953", and "Review of Basic National Security Policy, Aug–Sept, 1953 (Preview to NSC 162)". A copy of the Lay memorandum of September 18 enclosing the 42-page draft statement of policy "Review of Basic National Security Policy" is in S/P–NSC files, lot 61 D 167, "Solarium". The comments on this draft policy statement from S/AE, NEA, OIR and FE are in PPS files, lot 64 D 563, "NSC 153–162, Sept–Dec, 1953". On September 25, Bowie transmitted an 11-page "redraft of the Conclusions of the NSC 'Solarium' paper of September 18" to Under Secretary Smith, Counselor MacArthur, and other Bureau chiefs within the Department of State. A copy of this paper is in PPS files, lot 64 D 563, "NSC 153–162, Sept–Dec, 1953". On September 30, Lay transmitted to the NSC a draft paper on the subject of basic national security policy. For text, see page 489.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 163d Meeting of the National Security Council, Thursday, September 24, 1953 [1]

[Extract]

TOP SECRET EYES ONLY

The following were present at the 163rd Council meeting: The President of the United States, presiding; the Vice President of the United States; the Under Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General (for Items 1 and 2); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Items 1 and 2); the Acting Federal Civil Defense Administrator (for Items 1 and 2); the Secretaries of the Army, the Navy, and the Air Force (for Items 1 and 2); the Civilian Consultants on Continental Defense (Messrs. Baxter, Black, McDonald, and Page), for Item 2; the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Assistant to the President; Robert Cutler, Special Assistant to the President; C. D. Jackson, Special Assistant to the President; the Chairman, Continental Defense Committee (for Item 2); the NSC Representative on Internal Security (for Item 2); H. Marshall Chadwell and Kenneth D. Coleman, Central Intelligence Agency (for Item 1); Justice M. Chambers, Federal Civil Defense Administration (for Items 1 and 2); the Executive Secretary, NSC; the Deputy Executive Secretary, NSC; and Hugh D. Farley, NSC Special Staff Member.

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[1] Drafted by Deputy Executive Secretary Gleason on Sept. 25.

There follows a summary of the discussion at the meeting and the main points taken.

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2. *Continental Defense* (NSC 159, 159/1, 159/2 and 159/3;[2] Memos for NSC from Executive Secretary, same subject, dated September 21 and 23, 1953[3])

With the assistance of a series of charts, Mr. Cutler gave an oral presentation of the subject report (NSC 159/3) which lasted over an hour and which constituted a thorough and complete briefing as to the general considerations, objectives, courses of action, and recommended programs of the report and continental defense.

In the course of his presentation, the President interrupted Mr. Cutler to ask for more detailed information with respect to the pro-

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[2] As a result of the discussions concerning the net capability of the USSR to inflict damage on the United States, the NSC in Action No. 804 taken at the 148th meeting on June 4 established a Continental Defense Committee of the NSC Planning Board to submit a report at an early date. In July, the Committee sent to the Special Assistant to the President for National Security Affairs (Robert Cutler) an undated 80-page memorandum on continental defense. Copies of this memorandum were circulated to the NSC by Executive Secretary Lay on July 22, 1953 as NSC 159. For that portion of the memorandum of discussion at the 148th meeting of the NSC concerning the net capability of the USSR to inflict damage on the United States, see p. 367. A copy of NSC 159 is in S/S-NSC files, lot 63 D 351, NSC 159 Series.

Continental defense was the subject of a number of internal commentary memoranda within both the Department of State and the Office of Defense Mobilization following distribution of NSC 159. Copies of these memoranda are in S/S-NSC files, lot 63 D 351, NSC 159 Series and PPS files, lot 64 D 563, "Natl Sec (civil defense)". In addition, the Joint Chiefs of Staff submitted their views on NSC 159 along with supplemental pages of cost data prepared by the NSC Staff. The Lay memorandum enclosing the views of the JCS is in S/S-NSC files, lot 63 D 351, NSC 159 Series. Continental defense was discussed at the 158th meeting of the NSC on Aug. 6, 1953 and was the subject of NSC Action No. 873 in which both the Joint Chiefs of Staff and the NSC Planning Board were directed to submit further recommendations on continental defense to the Council. The Director of Defense Mobilization, Arthur S. Flemming, was also directed by the President to establish a special task force to study and make recommendations on improving government organization with respect to internal security functions. A copy of NSC Action No. 873 is in S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action".

On Aug. 14, 1953, the Interdepartmental Intelligence Conference and the Interdepartmental Committee on Internal Security submitted a joint 33-page report on con-

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gram for producing a device or devices which would enable the detection of fissionable material surreptitiously introduced into the United States.

Mr. Cutler explained how such devices might be used, and Admiral Strauss pointed out that no such devices had actually been produced to date.

The President also inquired as to the probable date of completion of the "plan" for the dispersal of essential functions of Government. Mr. Cutler replied that it was thought that this report would be produced in a month or so, and the President commented that any planning after the event (atomic attack) would be worth nothing.

There was also a discussion of the appropriate size of rewards which would be offered by the Government for information regarding the introduction of fissionable materials into the United States. Mr. Cutler pointed out that it was proposed to offer a reward of $500,000, but that it was the opinion of the Chairman of the Atomic Energy Commission that a reward of $1 million would be cheap, since this would be less than the cost of the fissionable material which would have been recovered.

Secretary Wilson commented that if we raised the ante too high, people would seek to introduce fissionable material into the United States. (Laughter)

The Vice President made an inquiry as to the status of reciprocity between our Governments and the governments of the Soviet bloc with regard to the treatment of diplomatic shipments and baggage.

Secretary Smith undertook to sketch the existing relationship. Although he admitted that while the present situation could not be described as one of reciprocity, he questioned the wisdom of our tightening up our own practices in this matter at the moment when the Soviet bloc nations were liberalizing their own.

At the conclusion of his oral presentation, Mr. Cutler requested Mr. Arthur Page, as spokesman for the Civilian Consultants, to ex-

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tinental defense which was circulated by Lay to the NSC as NSC 159/1. On Sept. 1, the Joint Chiefs of Staff submitted their 7-page report in conformity with NSC Action No. 873 and it was circulated by Lay as NSC 159/2.

On Sept. 16, 1953, Lay sent to the NSC a 28-page report on continental defense prepared by the NSC Planning Board following receipt of NSC 159/1 and NSC 159/2. The Planning Board report, designated NSC 159/3, was scheduled for discussion at the 163d meeting of the NSC.

[3] Lay's memorandum of Sept. 21 enclosed a financial appendix to NSC 159/3 which was subsequently deleted from NSC 159/4. See the note by the Executive Secretary, Sept. 25, p. 475. Lay's memorandum of Sept. 23 transmitted a one-page memorandum from Admiral Radford, Chairman of the Joint Chiefs of Staff, giving JCS approval to NSC 159/3 as a "generally responsive" and "militarily sound" solution to the problem of continental defense.

press their view on the problem of continental defense. Mr. Page complied by reading a statement, copy of which is filed with the Minutes of the 163rd NSC meeting.[4]

Mr. Cutler then presented certain additional views on this subject by Dr. Alan Gregg, one of the Consultants, who had been obliged to leave Washington prior to the meeting.[5]

Mr. Cutler then suggested that before the meeting was thrown open to general questions, the Secretary of Defense and the Chairman of the Joint Chiefs of Staff be invited to state their views on continental defense.

Before Admiral Radford had undertaken to express the views of the Joint Chiefs of Staff, the President requested him to comment on what inferences were to be drawn from a recent test in Seattle in which one of our new B-52 bombers hopelessly outdistanced one of our F-86 interceptors. It seemed to the President that this was a development which cast doubt on the value of fighter interceptors against bombers which could fly so fast at such very high altitudes as 50,000 feet.

Admiral Radford acknowledged the validity of the President's doubts, and said that it would probably be possible to intercept B-52 bombers by the use of guided missiles.

Admiral Radford then proceeded to state the views of the Joint Chiefs of Staff on the present report. He noted that the Joint Chiefs had kept in touch with Mr. Cutler and with the Planning Board during the whole period in which this report had been developed. He said that the great anxiety of the Joint Chiefs of Staff was that some particular program such as this would be approved by the Council at too early a date and thus tie the hands of the military in their attempts to work out an appropriate over-all military program. Speaking personally, continued Admiral Radford, he felt that the various studies which had been made by committees and individuals on the problem of continental defense had proved most valuable. On the other hand, he did feel that most of these reports tended to be based on assumptions as to the enemy's capabilities. Admiral Radford stated that if we continued to do this we might wind up with an impossible program of continental defense.

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[4] The statement under reference cannot be further identified, but a copy of the "Views of the NSC Consultants on Continental Defense" which, in a covering memorandum, Lay indicated were those "presented orally at the Council meeting on September 25 [*24*] 1953", is in S/S-NSC files, lot 63 D 351, NSC 159 Series. For information on the minutes of NSC meetings, see footnote 1, p. 394.

[5] A copy of "the separate additional views of Dr. Alan Gregg" which, Lay indicated, were also those presented orally at the NSC meeting of Sept. 24, is attached to the "Views of the NSC Consultants on Continental Defense" mentioned in footnote 4 above. Gregg was vice president of the Rockefeller Foundation.

Admiral Radford then said that he had other points which he felt were desirable to stress. As to some of the programs which were recommended for Council approval in developing an adequate continental defense, real doubts had arisen in the minds of the Joint Chiefs as to the validity of the recommendations. He said that the Joint Chiefs were certainly reconsidering the value of seaward extensions of the southern Canadian defense line at the present time. He pointed out that with regard to these seaward extensions, we were counting on very nearly perfect performance by those who manned the line and its extensions, 24 hours a day, 365 days a year, for the indefinite future. It would be extraordinarily difficult to secure personnel with sufficient skill to accomplish this task, and it would also be terribly expensive to maintain this line once it had been developed.

Another factor which seemed deserving of the most careful study, said Admiral Radford, was the loss of efficiency which was inevitable when individuals were compelled to do the same job day in and day out with the same instruments. He had in mind, he said, radar operations in some such dreary waste as northern Canada. Personnel who at the outset were 80% efficient at performing their function would be, after an interval, perhaps only 30% efficient, particularly if no enemy aircraft were found. This was a consideration which must certainly be taken into account in evaluating the effectiveness of this kind of defense.

With respect to what he called the "immediate programs", presumably those set forth in paragraph 15-a of the report, Admiral Radford assured the members of the Council that the Joint Chiefs regarded the development of these programs as urgent, and stated that they would be included in the detailed program that the Joint Chiefs of Staff are formulating for the next fiscal year, FY 1955.

Lastly, Admiral Radford said that he wished to call the attention of the Council to the acute problem of adequate military personnel and manpower. He pointed out that the continental defense program outlined in the current report was a program for the long pull. This being so, and in the absence of any more authority than the Government now had to hold military personnel in service, he felt that it might be necessary to undertake a complete reappraisal of our total military capability. Actually, the problem of inadequate manpower, with respect to continental defense, was a more severe problem than finance or the budget. Even if we had all the funds we requested to do what we felt necessary, Admiral Radford said that under existing arrangements we would just not have the trained people to carry out the program.

The President was the first to comment on Admiral Radford's statement. He observed that it seemed to him that the Council had been tending to dodge the essential dilemma which faced the country. The United States was confronted with a very terrible threat, and the truth of the matter was that we have devised no way of meeting this threat without imposing ever-greater controls on our economy and on the freedom of our people. We had been trying, in other words, to have our cake and to eat it at the same time. We were engaged, continued the President, not only in saving our money or in defending our persons from attack; we were engaged in the defense of a way of life, and the great danger was that in defending this way of life we would find ourselves resorting to methods that endangered this way of life. The real problem, as the President saw it, was to devise methods of meeting the Soviet threat and of adopting controls, if necessary, that would not result in our transformation into a garrison state. The whole thing, said the President, was a paradox.

Secretary Wilson commented that we were not only faced with the problem of saving our free economy, but we were also confronting the limitations of our manpower.

The President agreed, and said that this was only part of the paradox which he had outlined, of trying to meet the threat to our values and institutions by methods which themselves endangered these institutions. In any case, said the President, this was a problem which must be faced and not evaded.

Mr. Stassen admitted the seriousness of the manpower problem as Secretary Wilson had sketched it, but said he believed that he had one or two suggestions which might assist in solving it. The first of these was to provide better opportunities for technological and scientific study in our high schools. He felt that in this area we had been wasting our resources in the past, and that an opportunity offered to increase greatly the number of students with the necessary skills of a technological and scientific nature.

His second suggestion, said Mr. Stassen, was to try to identify those areas where it might be possible for the armed services to depend to a greater degree on automatic devices as opposed to manual operations. This transition could, thought Mr. Stassen, result in greatly diminishing the number of personnel which the services now had to devote to complicated scientific and technological operations.

The President's comment on these suggestions was to point out that Mr. Stassen had perhaps overlooked the fact that as you go into the sphere of the automatic, the machine would be ever more difficult to handle and the expense of maintaining it and keeping it modern would be very heavy.

Secretary Wilson added that you could never avoid the fact that at present it was all that the country could do to maintain approximately three million men in the armed services.

Mr. C.D. Jackson then stated that he had one further suggestion which might be of value in meeting the shortage of skilled manpower. As we increasingly made use of new weapons, said Mr. Jackson, he saw no reason why the military services should be obliged to continue their elevated standards of mental and physical fitness. It seemed to him that a soldier with flat feet or dandruff might be completely competent to operate a Nike.

Mr. Flemming said that of course he was always living with the problem of manpower, and had come to the conclusion that if we set ourselves an objective and proceed to convince the country of the validity of that objective, we would succeed in licking the manpower problem. As an example, Mr. Flemming cited the present two-year duration of military service. This severely hampered the armed services in meeting the manpower problem. Mr. Flemming expressed the view that it would be perfectly feasible to get this period of service extended by the Congress if we could demonstrate a clear need for such extension.

The President stated that he was impressed by Mr. Flemming's point, but could not avoid the feeling that if, in the development of our mobilization base and in the accumulation of weapons and materials of war, we went beyond a certain point, we would have to face the likelihood that our stockpile of war materials would suffer obsolescence, not to mention terrific costs of maintenance. Again pointing out that we must adjust our defense program to something with which we can live for a long time, the President expressed the view that the desirable goal was a minimum military establishment and mobilization base that could be expanded promptly in case of need. While he expressed agreement with Mr. Flemming's argument that we could get the people of the United States to do whatever was really necessary to preserve the national security, the President did not want the American people to do what the Administration deemed necessary over so long a period of time that it ended in the destruction of the American way of life.

Mr. Flemming then reverted to Mr. Jackson's suggestion for ameliorating the manpower problem, and said that it was a point that must never be lost sight of. He added that we had not yet made maximum use of women to meet the shortage of men, and summed up his general position by a statement that if we really proposed to get off of dead center, we could solve the problem of manpower.

Secretary Humphrey pointed out that the many difficulties and doubts which discussion thus far by the members of the Council had brought out, seemed to him to indicate the impossibility for the National Security Council to reach any conclusion on any single part of the national security program, such as continental defense, before the members of the Council had had an opportunity to view the security programs in their entirety. There was no use worrying about one piece of the puzzle before you had all the pieces before you. Furthermore, Secretary Humphrey said he was willing to predict that when we got all through with our deliberations, the only military strength we would have would be of a fluid and mobile sort.

The President stated that the important issues in continental defense which must be faced at once were the fighter interceptor program and the seaward extension of the southern Canadian line. He expressed agreement that the latter issue might prove, upon further examination, to be somewhat academic. He also stated his agreement with Admiral Radford that we tended invariablby to underestimate the difficulties which the USSR would encounter in making an attack upon the continental United States.

At this point, Mr. Cutler asked the President if it would not be appropriate to ask the heads of the various departments and agencies who had entered dissents on various parts of the present report, to explain their views and have their day in court.

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Mr. Cutler explained to the President that some baggage and shipments came with the diplomat and through the same port of entry, but that on other occasions such shipments would come independently of their owner.

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Mr. Cutler then asked Mr. Flemming whether he wished to make a case for taking certain proposed programs out of one of the four categories and placing them in another, as suggested by footnotes to the paper.

Mr. Flemming replied, however, that since he was now convinced that the important thing was to get behind the total continental defense program, he was not inclined to argue in favor of any specific changes from one category to another. He did, he said, have a strong feeling that our present posture of continental defense was inadequate and that we should move ahead as rapidly as possible to develop the program in the present report. It was vital, for instance, from his point of view to get ahead with an early warning system, since this had an obvious impact on mobilization planning. He concluded by expressing the hope that the Council would endorse the program as a whole even if it were necessary to seek a supplemental appropriation from the Congress to finance it.

Thereafter, the Attorney General also agreed not to press for any further changes in the report with regard to internal security measures, and stated that he was content to have these measures left in the categories to which they had been assigned in the report.

Secretary Wilson took this occasion to point out that all should understand that even if all the measures in this paper were adopted it never would be possible to build a 100% defense of the continental United States.

Mr. Cutler then called upon Mrs. Howard, the Acting Federal Civil Defense Administrator, as to her wishes with respect to changes in the programs which the Civil Defense Administration had favored when the paper was before the Planning Board.

Mrs. Howard stated that in view of Mr. Cutler's explanation of the meaning of paragraphs 15-a, -b, -c and -d, and particularly because of her very strong agreement with the position just taken by Mr. Flemming, she would not press for any changes in the paper in behalf of the Civil Defense Administration. She did wish, she said, to emphasize the need to the Council for more adequate appropriations by the Congress for civil defense. She also expressed considerable skepticism as to the feasibility of the recommendation by the Consultants that private industry take over the task of stockpiling medical supplies for civil defense purposes.

Mr. Cutler then observed that since all the members of the Council had had an opportunity to express their views, he wished to invite their attention to the suggested action in the Note by the Executive Secretary on page i of the report. He was also suggesting a change in this form of action, which he read to the members of the Council.

The Vice President inquired whether the Consultants on the continental defense problem had had access to and been briefed on all the various reports which had been made in recent months on the problem. Mr. Cutler replied that they had had such access and had been thoroughly briefed on all significant aspects of the problem.

The Vice President replied that he was not so much concerned with the leaks which had appeared in the morning papers about the Council's consideration of the continental defense problem. What really concerned him was the problem of public reaction to the present continental defense program in view of the great hullabaloo in the press on this subject. Was the program which was before the Council of sufficient size and efficiency to meet the charges of the Alsops and others that the Administration was neglecting one of the most crucial areas of national defense? In short, asked the Vice President, were the Planning Board and the Consultants wholly satisfied that this was not a "cut-rate" continental defense program?

Mr. C.D. Jackson stated that in view of the various doubts that had been raised in the course of the morning's discussion, it would be perfectly possible for the Council to decide to postpone action on continental defense. He felt, however, that a decision to postpone action would be a very grave mistake. He pointed out that the people of the United States are already laboring under the erroneous impression that the present Administration was doing nothing in this field. It was therefore important to convey to them at once and with emphasis that continental defense is and has been a top priority concern of this Administration. Hence the Council must make a wise decision and move forward rapidly on the present program.

In reply to Mr. Jackson's statement, Admiral Radford stated that there was no element of importance in the present report on continental defense which needed to be done during this year and next year that is not being done. As for certain recommended courses of action and programs in the report for the years thereafter, there still was some doubt as to whether we ought to carry them out. But Admiral Radford said that he was prepared to stand up today on any platform and say, with regard to continental defense, that "we could not be doing more than we are now doing."

The Vice President came back to his original point, and commented that the columnists could be expected to do their utmost to suggest that there was dissension within the Administration on this problem. He trusted, therefore, that if a dispute developed, as, for instance, between the desirability of a 57-squadron and a 75-squadron fighter interceptor force, the Administration would make it clear that such disagreement did not stem from motives of economy alone. To this, Admiral Radford answered once again that budgetary limitations were not the overriding limitations in the solution of the continental defense problem.

The President stated, with a smile, that it was unwise for the members of the Council to let themselves get so excited about what the columnists reported, as to fail to use common sense in reaching a decision. He said he was inclined to order the Council members in the future not to read the newspapers on mornings before meetings of the National Security Council. (Laughter)

Mr. Allen Dulles said that he had one last point to make before the Council adjourned. He said that in the field of intelligence with respect to early warning, he would have three concrete suggestions to make at the time when the Joint Chiefs of Staff were scheduled to present the Council with their detailed program on continental defense.

Mr. Stassen said that he felt that it was of vital importance to secure the necessary cooperation from Canada in meeting the problem of civil defense.

The President pointed out the difficulties which confronted the United States in times of peace, in inducing other sovereign states to go along with our own recommendations. He nevertheless agreed with Mr. Stassen that present machinery for cooperation on military matters with Canada could easily be improved.

Admiral Radford, speaking to this point, expressed the view that we would encounter very little difficulty in getting all the cooperation and assistance we needed from the Dominion.

As the meeting drew to a close, the President warmly thanked the Consultants for the services that they had rendered in helping to solve this difficult problem, and expressed the hope that the Consultants would regard their services as not merely a duty, but also an opportunity.

The National Security Council: [6]

a. Noted and discussed an oral presentation by Mr. Cutler of the reference report on the subject by the NSC Planning Board (NSC 159/3).

b. Noted the views of the Civilian Consultants on Continental Defense with respect to NSC 159/3, as read by Mr. Arthur W. Page, and the additional views of Dr. Alan Gregg as orally presented by Mr. Cutler.

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d. Adopted NSC 159/3, as amended by c above, for submission to the President with the recommendation that he approve it as a guide to the respective departments and agencies in implementing their programs during FY 1954 and in developing their programs for future years, subject to the following:

(1) Before November 15, a more precise definition by the Department of Defense of the following programs and their phasing, and the identification of the portion of Defense Department effort and costs related to such defined programs:

Paragraph 15–a: Seaward extensions of the Southern Canadian early warning system.
Paragraph 15–b: Fighter interceptor forces. Anti-aircraft forces.

(2) Before December 1, determination by the Council of the manner of financing the recommended integrated programs for continental defense in FY 1954 and future years, in proper relation to the over-all budget and taking into account FY 1955 budget submissions by the departments and agencies.

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[6] Paragraphs a–e constitute NSC Action No. 915. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

e. Noted that the Director of Central Intelligence will submit recommendations to the Council regarding the implementation of paragraph 11 of NSC 159/3 on "Improved Intelligence" at the time that the Council considers the report by the Department of Defense submitted pursuant to d-(1) above.

Note: NSC 159/3 as amended and approved by the President as recommended in d above, subsequently circulated as NSC 159/4. The views of the Civilian Consultants, including Dr. Gregg, subsequently circulated to the Council for information.[7]

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S. EVERETT GLEASON

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[7] For text of NSC 159/4, see *infra*. On Jan. 25, 1954, the Executive Secretary transmitted to the NSC two papers prepared by the Office of Defense Mobilization dealing with plans for the "Continuity of Essential Wartime Functions of the Executive Branch." Copies of Lay's memorandum with the enclosed papers prepared by the Office of Defense Mobilization are in the S/S-NSC files, lot 63 D 351, NSC 159 Series.

S/S-NSC files, lot 63 D 351, NSC 159

Report to the National Security Council by the Executive Secretary (Lay)[1]

TOP SECRET
NSC 159/4

WASHINGTON, September 25, 1953.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON CONTINENTAL DEFENSE

References:

A. NSC 159, 159/1, 159/2 and 159/3[2]

B. NSC Action No. 915[3]

C. Memos for NSC from Executive Secretary, same subject, dated September 21, 23 and 25, 1953[4]

The National Security Council, the Secretary of the Treasury, the Attorney General, the Director, Bureau of the Budget, the Chairman, Atomic Energy Commission, and the Acting Federal Civil Defense Administrator at the 163rd Council meeting on September 24, 1953 adopted the reference report on the subject (NSC 159/3) subject to the substitution of the following for paragraph 20-b (2) thereof (NSC Action No. 915-c and d):

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[1] Copies to the Secretary of the Treasury; the Attorney General; the Chairmen of the Atomic Energy Commission, the Joint Chiefs of Staff, the Interdepartmental Intelligence Conference, and the Interdepartmental Committee on Internal Security; the Directors of the Bureau of the Budget and Central Intelligence; and the Federal Civil Defense Administrator.

[2] See footnote 2, *supra*.

[3] For NSC Action No. 915, see footnote 6, *supra*.

[4] Concerning Lay's memoranda of Sept. 21 and 23, see footnote 3, *supra*. The memorandum of Sept. 25 transmitted the views of the NSC Consultants on Continental Defense mentioned in footnote 4, *supra*.

. . . .

The Council also noted that the Director of Central Intelligence will submit recommendations to the Council regarding the implementation of paragraph 11 on "Improved Intelligence" at the time the Council considers the report by the Department of Defense to be submitted pursuant to NSC Action No. 915-d (1).

NSC 159/3, as amended and adopted, including certain factual corrections in paragraph 21 on "Port Security" requested by the Treasury Department, is enclosed herewith. The financial appendix transmitted by the reference memorandum of September 21 is not reproduced herein in view of the fact that, as indicated below, it is subject to review before December 1, 1953.

The President has this date approved the enclosed statement of policy as a guide to the respective departments and agencies in implementing their programs during FY 1954 and in developing their programs for future years, subject to the following:

(1) Before November 15, a more precise definition by the Department of Defense of the following programs and their phasing, and the identification of the portion of Defense Department effort and costs related to such defined programs:

Paragraph 15-a: Seaward extensions of the Southern Canadian early warning system.

Paragraph 15-b: Fighter interceptor forces. Anti-aircraft forces.

(2) Before December 1, determination by the Council of the manner of financing the recommended integrated programs for continental defense in FY 1954 and future years, in proper relation to the over-all budget and taking into account FY 1955 budget submissions by the departments and agencies.

Accordingly, NSC 139 is hereby superseded. [5]

It is requested that special security precautions be observed in the handling of the enclosure and that access to it be very strictly limited on an absolute need-to-know basis.

JAMES S. LAY, JR.

[Here follow a table of contents and a list of cited documents.]

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[5] NSC 139, "An Early Warning System," Dec. 31, 1952 and related documentation is scheduled for publication in the compilation on U.S. relations with Canada in volume VI.

[Enclosure]

Statement of Policy by the National Security Council

TOP SECRET [WASHINGTON,] September 25, 1953.

CONTINENTAL DEFENSE

GENERAL CONSIDERATIONS

Interrelation of Continental Defense to other Elements Constituting National Security

1. The survival of the free world depends upon the United States maintaining: (a) sufficient strength, military and non-military, to deter general war, to prevent or counter aggression, and to win a general war if it is forced upon us; and (b) a sound, strong economy, capable of supporting such strength over the long pull and of rapidly and effectively changing to full mobilization.

2. a. The strength of the United States which must be so maintained is an integrated complex of offensive and defensive elements. Each of these elements has its proper role in the defense of the vitals of America against attack and destruction. For example, our existing commitments to help in creating outposts of indigenous strength in NATO countries and in the Orient contribute to the defense of the continental United States as well as does the development of an early warning system in the Western Hemisphere. Accordingly, each element of this integrated complex should be in proper balance with all the other elements. We shall not have satisfactory over-all strength if one element is allowed to develop out of proportion to the other elements.

b. Just as there must be a proper balance among the several elements comprising our strength, there must also be a proper balance between military and non-military measures within the element of "continental defense".

3. In recent years we have emphasized the elements of peripheral defense, offensive capabilities, and mobilization base more than we have emphasized the element of "continental defense". Yet this latter element is necessary for the protection of our vitals and for the survival of our population and our Government in the event of attack. "Continental Defense" is now clearly inadequate.

Inadequacy of Existing Continental Defense System

4. a. The Report of the Continental Defense Committee (NSC 159, July 22, 1953) reviewed the significant studies and estimates which have been made on continental defense in recent years. The latest of these was "The Summary Evaluation of the Net Capability of

the USSR to Inflict Direct Injury on the United States up to July 1, 1955." (NSC 140/1, May 18, 1953)[6]

b. Findings of the Report of the Continental Defense Committee, (NSC 159, July 22, 1953) include:

(1) The USSR has now a growing capability to deliver a devastating atomic attack on the United States. (para. 9, p. 4)

(2) Our current atomic offensive capability is a most significant deterrent to Soviet atomic attack upon the continental United States. It will continue to be a powerful factor in deterring hostile military action by the USSR. In any program of national security, our offensive capability must be maintained not only for gaining our war objectives, but for its marked deterrent value in protecting our homeland. (para. 10, p. 4)

(3) The present continental defense programs are not now adequate either to prevent, neutralize or seriously deter the military or covert attacks which the USSR is capable of launching, nor are they adequate to ensure the continuity of government, the continuity of production, or the protection of the industrial mobilization base and millions of citizens in our great and exposed metropolitan centers. This condition constitutes an unacceptable risk to our nation's survival. (para. 11, p. 4)

(4) The creation of a defense system approaching invulnerability is probably unattainable and, as found by the Kelly Committee, is completely impractical, economically and technically, in the face of expected advances in Soviet offensive capabilities. However, a reasonably effective defense system can and must be attained. Such a system must be phased to meet the changing character of the threat, and therefore fixed programs extending over a period of many years are unsound. Relatively short-term programs should be embarked upon now to achieve as rapidly as possible an ability to cope with the manned aircraft and submarine-launched guided missile threat as it probably will exist through 1957. (Enclosure A, para. 3, p. 50)

(5) No acceptable degree of over-all defense readiness is provided in programs recommended in NSC 159 until about 1956. But the Continental Defense Committee concluded that, during the period 1956 to about 1960, the USSR would *not* have the net capability of destroying the war-making capacity of the United States, provided:

(a) The over-all continental defense programs recommended in NSC 159 are carried out vigorously, and

(b) In the military area, the defense system not only is kept modern, but the quantity of its weapons is increased consistent with any significant increase in the size or performance of the Soviet long range air force. This condition might obtain well into the 1960's. Sometime after 1960, due to the possible development of long range air-to-ground or ground-to-ground guided missiles, there can be no assurance that the proposed programs will give the high degree of protection required. Unless our defensive system is constantly reviewed and kept thoroughly

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[6] *Ante*, p. 328.

> modern, including a defense against such possibilities as an intercontinental ballistic missile, we face the possibility of having our continental defense program largely nullified. However, any doubt about the future must not prevent us from meeting the urgent requirements of the present. (para. 120, pp. 44–45)

5. There has been a growing recognition in the United States of the situation outlined in the reports referred to in para. 4 above. In December, 1952, the United States adopted a policy that an early warning system deemed capable of providing three to six hours of warning of aircraft approaching the United States from any likely direction of attack should be developed and made operational as a matter of high urgency (NSC 139). Our most recent over-all security policy statement (NSC 153/1, June, 1953)[7] emphasized the "development of a continental defense system, including early warning, adequate to prevent disaster and to make secure the mobilization base necessary to achieve U.S. victory in the event of general war."

6. a. The above-mentioned reports and policy statements were published prior to the demonstration on August 12, 1953, of Soviet thermonuclear capabilities. These papers must now be considered in the light of evidence from this explosion, which indicates that the Soviets may have developed a method of substantially increasing the total energy yield from their available supplies of fissionable uranium. This would enable the Soviets to increase the number of bombs of 30–100 KT yield now estimated to be in their stockpile, or to make their weapons individually more destructive, or to create very high yield weapons (500–1000 KT) by accepting a reduction in total number of weapons. Further, the test indicates that the USSR may have reached an advanced stage in the development of true thermonuclear weapons yielding more than a million tons of TNT energy equivalent.

b. The Soviet demonstration of August 12, 1953, has placed a premium upon:

(1) Successfully deterring general war.

(2) Improvement of our intelligence regarding Soviet capabilities and intentions.

(3) An early warning system.

(4) Maximum attrition of attacking forces before reaching targets.

(5) A ready offensive striking force.

(6) Non-military defense measures suited to the new threat mentioned in a above.

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[7] Dated June 10, p. 378.

Financing "Continental Defense"

7. a. Our existing national policy seeks to limit Federal expenditures to a level not in excess of Federal revenues, in the interest of preserving a sound and strong national economy. In FY 1954 the largest elements of Federal expenditures will be the total major security programs, estimated in NSC 149/2 [8] at not to exceed 52.1 billions (military at 43.2 billions). "Continental defense" program expenditures for FY 1954 were estimated in NSC 159 at 4.3 billions (military at 3.8 billions), an increase over FY 1953 of 1.6 billions.

b. In determining the source of funds to finance increased emphasis, and resulting larger expenditures, on "continental defense," full weight must be placed upon new factors which have entered on the scene since the United States undertook the commitments supporting some of the elements other than "continental defense" in our integrated complex. These new factors are the rapid approach of the Soviets to a stockpile of "atomic plenty" and the now undoubted possession by the Soviets of a thermonuclear device of quality indicating the use of independent technology.

c. If larger expenditures than in FY 1954 are to be made on "continental defense," and the funds therefor cannot be realized from savings resulting from reducing expenditures for other elements in our integrated complex, then they would have to be provided in addition to the expenditures for implementing such other elements. If security program expenditures in FY 1955 are to be less than in FY 1954, and if the same or larger expenditures are to be made in FY 1955 for "continental defense," then the impact of the latter would fall principally on expenditures for security program elements other than "continental defense." Any such lessening of security program expenditures in FY 1955 would necessitate a re-examination of all U.S. security programs. The programs recommended in paragraph 15–a, and presently-authorized action on other programs, should not be held up pending such re-examination.

Intentions of the USSR

8. Although the USSR has a growing capability to launch an aggressive attack on the United States, we believe it unlikely that the Kremlin will deliberately initiate general war during the period covered by current estimates (through mid-1955). However, it is possible that general war might result from miscalculations by either side as a result of a series of actions and counteractions not intended by either side to have that result. Moveover, despite Soviet "peace offensives" and similar moves, there is no substantial reason to believe that the USSR has altered its basic hostility to

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[8] Dated Apr. 29, p. 305.

the free world and its ultimate objective of dominating the world. Accordingly, plans for improving at home the defenses of our vitals should proceed in a rapid and orderly fashion.

Scope of This Report

9. In considering the objective and courses of action which follow, these points should be borne in mind:

a. The elements of continental defense included in this report are those of an essentially defensive nature, and accordingly do not include those elements of offensive strength of the United States and its allies which contribute materially to continental defense.

b. There are included in this report certain existing programs which, although contributing to continental defense, are not undertaken primarily for that purpose and would be carried on in any event by the agencies responsible for them. Examples of such programs are:

(1) Personnel security in the Executive Branch of the Federal Government.

(2) Physical security of government facilities.

(3) Coastal escorts and coastal anti-submarine patrol.

(4) Various elements of an integrated program of counter measures for the detection and prevention of clandestine introduction and detonation of atomic weapons, such as F.B.I. investigations, border patrol, customs and immigration procedures, passport and visa control, etc.

c. Conversely, many of the continental defense programs will make a valuable contribution to other programs. For example, the air control system can increase civil air traffic capacity and reduce accidents. Nonmilitary programs will be very useful in handling domestic disasters. Military forces which would perform roles in the continental defense program could be deployed overseas in the latter stages of a war.

d. The military programs described in NSC 159 were largely based on unilateral service projection, which are still subject to integration and approval by the Department of Defense and the Joint Chiefs of Staff. The military programs referred to in this report are intended to mean those as finally approved by the Department of Defense.

e. This report is designed primarily to fix the timing and guidelines which should govern the various continental defense programs. The costs of programs in paragraph 15–a and b can be estimated with reasonable accuracy, both for FYs 1954 and 1955 and over-all. But as to some of the programs in paragraph 15–c and d, cost estimates beyond FY 1954 will necessarily depend on a determination of our new basic national security policy and a detailed review of our over-all military program by the Joint Chiefs of Staff. The cost estimates of such programs for FY 1955 will be included in the forthcoming budget submission.

OBJECTIVE

10. To achieve in a rapid and orderly manner as a part of our national security, and to maintain, in collaboration with Canada, continental defense readiness and capability which will give reasonable assurance of:

a. Contributing to deterring Soviet aggression.
b. Preventing devastating attack that might threaten our national survival.
c. Minimizing the effects of any Soviet attack so as to permit our successful prosecution of a major war.
d. Guarding against Soviet-inspired subversive activities.
e. Preventing the threat of atomic destruction from discouraging U.S. freedom of action or weakening national morale.

COURSES OF ACTION

Improved Intelligence

11. In view of the implications of atomic and thermonuclear weapons in the hands of the Soviet Union, greater knowledge of Soviet capabilities and intentions is essential for military and nonmilitary measures to reach maximum effectiveness.

Agreements with Canada

12. Canadian agreement and participation on an adequate scale is essential to any effective continental defense system. Although machinery for reaching and implementing agreements exists, the Canadian government should at once be approached at the highest levels in order to establish a common appreciation of the urgency and character of the threat to U.S.-Canadian security and the measures required to meet it. Exploration should be made of the extent to which Canada may wish to take leadership in developing parts of the system and in contributing to its expense.

Research and Development

13. Adequate support for coordinated programs of basic and applied research and development is essential to gain and maintain the required technological superiority over the USSR. Weapons development by us has acquired even greater importance with the development by the USSR of a thermonuclear capability. Basic and applied research must keep abreast of the changing Soviet threat, including intercontinental ballistic guided missiles.

Continental Defense Organization

14. Pursuant to NSC Action No. 873–d,[9] the Director of Defense Mobilization is preparing recommendations on improving the orga-

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[9] For information on NSC Action No. 873, see footnote 2, p. 465.

nization of government with respect to internal security functions and with respect to the continental defense functions in Part VI of NSC 159.

Specific Programs

(There is no significance in the order of listing within subparagraphs.)

15. a. The following programs should be completed with all possible speed:

Southern Canadian early warning system and seaward extensions thereof. (para. 16–a below)

Extension to seaward of contiguous radar coverage. (para. 17 below)

Methods of aircraft identification. (para. 17 below)

Completion of emergency plans and preparations to insure the continuity of essential functions of the Executive Branch of the Government. (para. 19–a below)

Development of an active technical device for the detection of fissionable material. (para. 20–a below)

b. The following programs should be developed to a high state of readiness over the next two years (and, in the case of fighter interceptor and anti-aircraft forces, be further strengthened and kept effective in ensuing years in phase with the other military programs in 15–a and b, and with developing Soviet capabilities):

Northern Canadian early warning line, if proved feasible by project CORRODE[10] and the Canada–U.S. Military Study Group. (para. 16–b below)

Air control system, converting as rapidly as possible to semiautomatic control centers. (para. 17 below)

Gap-filler radars for low altitude surveillance. (para. 17 below)

Low frequency analysis and recording (Lofar) for distant detection of submarines. (para. 17 below)

Fighter intercepter forces. (para. 18 below)

Anti-aircraft forces. (para. 18 below)

Emergency plan for relocation of the Legislative and Judicial Branches of the Government. (para. 19–a below)

Plan for permanent dispersal of essential functions of government. (para. 19–b below)

Certain elements recommended in NSC 159/1 of the program of counter measures for the detection and prevention of clandestine introduction and detonation of atomic weapons. (para. 20–b below)

Processing of cases of known subversives for detention in the event of emergency. (para. 20–b below)

Port security. (para. 21 below)

Civil defense research. (para. 22–a below)

Civil defense education and training program. (para. 22–b below)

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[10] Documentation on Project CORRODE is scheduled for publication in the compilation on U.S. relations with Canada in volume VI.

Federal civil defense contributions to states for attack warning and communications. (para. 22–c below)
Civil defense plan for dispersal of urban populations on attack warning. (para. 22–d below)

c. The following programs should be strengthened and further developed in phase with (1) progress on the programs in paragraphs 15–a and b above and (2) developing Soviet capabilities:

Civil defense stockpiling program. (para. 22 below)
Continuity of industry. (para. 23 below)
Reduction of urban vulnerability. (para. 24 below)
Other elements of the program of countermeasures for the detection and prevention of clandestine introduction and detonation of atomic weapons. (para. 20–c below)
Physical security of industrial installations.

d. The following programs should be continued generally along present lines:

Harbor defense.
Federal civil defense contributions to states for other than attack warning and communications.
Coastal escorts and coastal anti-submarine patrol.
Physical security of government facilities.
Personnel security in the Executive Branch of Federal Government.

The inclusion of the latter three programs in this subparagraph is based solely on their contribution to continental defense, and is not intended as a judgment of their importance to other national security functions.

Early Warning System

16. a. An early warning system providing a minimum of at least two hours is an immediate necessity for both military and non-military measures for continental defense. The Southern Canadian Detector Line and the Alaska and Northeast Air Control and Warning Systems should be completed as early as possible. Seaward extensions of this line to Hawaii and to the Azores should be provided, beginning with the Atlantic extension, utilizing the minimum number of ships and aircraft determined by the Joint Chiefs of Staff to be necessary to meet the threat and enemy capabilities at any given time. In planning these seaward extensions, the maximum use should be planned of these installations for other purposes such as weather reporting, search and rescue, etc., in order to eliminate program duplication.

b. A longer warning than will be afforded by installing the Southern Canadian Detector Line is presently desirable and, in view of anticipated increases in speed of aircraft, will probably be required within the next few years. If as a result of Project CORRODE and the report of the Canada–U.S. Military Study Group, the Northern Canadian Detector Line is deemed feasible, plans and preparation for its installation should be made as if the program were included in para. 15–a. Project CORRODE should be carried forward with the greatest feasible speed.

Identification and Control Systems

17. Even with early warning, effective fighter control is impracticable without accurate means of identification and contiguous radar coverage to seaward of our coastlines. Therefore, an increase of identification capabilities, such as through the utilization of Consolan radio stations and the extension to seaward of contiguous radar coverage, should be completed with the same urgency as the provision of early warning. As the early warning aircraft identification systems and contiguous radar coverage are completed they should be supplemented during the next two years with programs such as:

a. An air control system, utilizing the Lincoln Transition System unless a better system can be developed.
b. Low frequency analysis and recording (Lofar) for distant detection of submarines.
c. Gap-filler radars for low altitude surveillance.

Weapons Systems and Force Requirements

18. a. The recent Soviet thermonuclear test brings home that it is essential that within the next two years the capability to destroy attacking aircraft and submarines before reaching their targets should be substantially augmented. In fact, all possible efforts should be made to expedite the equipping of adequate forces with aircraft and missiles which will achieve a high "kill ratio" before attacking forces reach our borders. These forces must not only be kept modern, but force levels may have to be increased consistent with any significant increase in Soviet capabilities. This process will be costly but essential if the objectives of the Continental Defense Program are to be achieved. It should be realized, on the other hand, that some of these forces deployed initially for continental defense could be of great value in other areas and roles in the event of a long war. To this extent they contribute materially to our over-all military strength.

b. In determining the forces and weapons required under this program, every effort should be made to insure that the maximum utilization of existing equipment and forces is achieved. This will require a careful evaluation of the disposition of U.S. forces and material world-wide.

Continuity of Government

19. a. Emergency plans and preparations to insure the continuity of essential functions of the Executive Branch of Government should be completed with the utmost urgency. Within the next two years an emergency plan should be completed for the relocation of the Legislative and Judicial Branches of the Government.

b. In view of the Soviet atomic and thermonuclear threat, current plans, other than the emergency plans, for the continuity of government and for the permanent dispersal of essential functions of the Federal Government should be revised so as to provide a wider dispersal of governmental facilities with improved communications and transportation links.

Internal Security

20. a. Efforts to develop an active technical device for the detection of fissionable material should proceed with the utmost urgency. When such a device has been successfully developed, its appropriate use will be the subject of further Council recommendation.

b. Certain elements in the program of countermeasures for the detection and prevention of clandestine introduction and detonation of atomic weapons should be in operation within the next two years. These elements include:

(1) Controlled dissemination of detailed information on this subject to officers of the Government who are in supervisory or administrative positions in agencies having responsibilities for detection of or defense against clandestine atomic weapons.

(2) Controlled dissemination of descriptive data concerning atomic devices and their component parts to operational officers of the Government who are actively engaged in the field in detection of and defense against clandestine atomic weapons.

(3) Release of information on this subject on a selected basis to representatives of duly constituted law enforcement agencies, etc., in order to enable cooperation with agencies actively engaged in detection of and defense against clandestine atomic weapons.

(4) Issuance of a Presidential Directive pointing out the FBI's responsibility for making investigations with respect to the illegal production, transfer, possession, transportation, etc., of fissionable material, or equipment or devices utilizing such material as a military weapon, and requesting that information relating thereto be reported promptly to the FBI.

(5) Assignment of responsibility to the Department of Defense for disarming atomic weapons introduced into the United States.

(6) Assignment of responsibility to the Federal Civil Defense Administration for furnishing guidance on this subject to local police and civil defense agencies having responsibility for protective measures to preserve life, to minimize damage from fire, etc.

(7) Recommending legislation providing for the payment of rewards as an inducement for defectors and informants to supply information leading to the recovery or acquisition of atomic weapons

or fissionable material illegally introduced or attempted to be so introduced into the United States. As an additional inducement, the right of sanctuary or asylum in the United States should apply, when appropriate, to such informants or defectors.

(8) Channeling entry of Soviet bloc diplomatic personnel through a limited number of U.S. ports by means of individual visa designation.

(9) Processing of cases of known subversives for detention in the event of emergency.

c. Other elements in the program of countermeasures should be continued and strengthened in phase with developing Soviet capabilities. These elements include:

(1) More effective control of legal but presently uncontrolled arrivals of alien crewmen, unscreened visa applicants, and others.

(2) More effective prevention of illegal arrivals of persons by:

(a) encouraging enactment of uniform State legislation to reduce falsification of U.S. birth certificates;

(b) enforcement of penalties for illegal discharge of alien seamen in U.S. ports;

(c) search and surveillance of vessels in U.S. ports to prevent landing of stowaways and excluded crewmen.

d. The present practice of the Department of State in generally retaliating, on a reciprocal basis, against Soviet bloc restrictions on the number of U.S. diplomatic representatives, should be continued.

e. The following elements in the program of countermeasures require further consideration before action by the Council:

(1) Additional protective measures at selected industrial and governmental facilities of a highly critical nature. (Action deferred pending development by ODM of a program, with cost estimates.)

(2) Additional selective counterintelligence coverage by the Federal Bureau of Investigation of Soviet bloc diplomatic representatives in the United States (including personnel attached to international public organizations), whose activities are suspected to extend beyond the scope of their normal diplomatic assignments. (Action deferred pending development by the Department of Justice of a program, with cost estimates.)

f. Without awaiting the development of an active detection device, all incoming unaccompanied baggage, effects and shipments of Soviet bloc personnel, exclusive of the diplomatic pouch, should be subject to overt inspection and manual search.

Port Security [11]

21. a. The Coast Guard will continue (1) to screen seamen; (2) to screen longshoremen; (3) to supervise loading of explosives and (4)

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[11] A typed notation on the source text indicates that this section on Port Security is a second revision dated Jan. 29, 1954.

at the ten major port areas (Boston, New York, Philadelphia, Hampton Roads, New Orleans, Galveston-Houston, Los Angeles, San Francisco, Portland and Seattle), will continue (a) to supervise and restrict piers handling U.S. military and MDAP shipments; (b) to board and make special search of suspect vessels. At the ten major port areas, the Coast Guard will provide a program of 24-hour surveillance and denial of entry to Soviet and satellite flag vessels, redeploying presently authorized port security personnel and facilities (including some from port security activities other than the denial program) to carry out this program.

b. At the intermediate port areas of New London, Charleston, Savannah, Sabine Pass, St. Johns' River and San Diego, the Coast Guard will initiate a program of surveillance and denial of entry to Soviet and satellite flag vessels comparable to that under a above. Part of this program will be put into operation by diversion of some personnel and facilities from the activities listed in a (3), (4a) and (4b) above.

Note: It is the present practice of the Coast Guard that vessels known or suspected to be owned or controlled by Soviet bloc states (but not registered under the flag of such states) are boarded, examined and searched before reaching a congested port area. Present instructions to the Coast Guard are that if suspicious circumstances come to light in such examination (such as a crew determined to be from the Soviet bloc) these ships should be denied entry.

Civil Defense

22. The following elements of the Civil Defense Program, modified in the light of the Soviet thermonuclear threat, should be emphasized during the next two years:

a. Civil defense research should be brought up to date in order to provide proper knowledge of civil defense problems and their solution.

b. Public civil defense education and training program must be accelerated so as to inform the public and provide trained civil defense workers.

c. Attack warning and communications systems at state and local levels should be completed under the contributions program.

d. Plans should be developed for the emergency dispersal of the population from congested urban areas consistent with the improvement of an early warning system.

The civil defense stockpiling program should be continued and phased with the developing nature of the Soviet threat.

Continuity of Industry

23. Current efforts to provide for the continuity of industry should be kept in phase with the other elements of continental defense system and with mobilization plans as affected by the development of a Soviet thermonuclear capability. In particular, the following programs for the continuity of industry should be promptly developed:

a. Review of mobilization base planning, including consideration of:

(1) Maximum industrial dispersion.
(2) Production logistics.
(3) Assistance for relocation or transfer of production from overconcentrated or "sole" producers.
(4) Possible stand-by facilities.
(5) Provision for stockpiles of inventories of finished products.
(6) Reserve stocks of long lead time tools for rehabilitating or rebuilding.

b. A system for damage assessment and reporting.
c. Provision of secure transportation control centers with necessary operating records.
d. Post-attack industrial rehabilitation.

Reduction of Urban Vulnerability

24. Changing the metropolitan pattern of America so that it presents fewer concentrated targets for attack may be essential in the age of inter-continental ballistic missiles. Industrial leadership and actions by State and local governments to this end will be possible if energetic Federal leadership and the use of strong governmental incentives are employed.

S/S-NSC files, lot 63 D 351, NSC 162

Report to the National Security Council by the National Security Council Planning Board[1]

TOP SECRET
NSC 162

WASHINGTON, September 30, 1953.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON REVIEW OF BASIC NATIONAL SECURITY POLICY

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[1] Copies to the Secretary of the Treasury; the Attorney General; the Directors of the Bureau of the Budget and Central Intelligence; the Chairmen of the Council of Economic Advisers, the Atomic Energy Commission, and the Joint Chiefs of Staff; and the Federal Civil Defense Administrator.

References:

A. NSC Action Nos. 853, 868 and 886 [2]

B. Memo for NSC from Executive Secretary, subject, "Project Solarium", dated July 22, 1953 [3]

C. NSC 153/1 [4]

The enclosed draft statement of policy on the subject, prepared by the NSC Planning Board with the assistance of representatives of the Department of Justice, the Council of Economic Advisors, the Atomic Energy Commission and the Federal Civil Defense Administration, pursuant to NSC Action No. 868-b, is submitted herewith for consideration by the National Security Council at its meeting on Wednesday, October 7, 1953.

Attention is invited to the divergent views with respect to particular paragraphs in the enclosure, which are presented for resolution by the Council.

It is recommended that the enclosed statement of policy, as adopted by the Council, be submitted to the President with the recommendation that he approve it as a general guide to all appropriate executive departments and agencies, pending the preparation by the NSC Planning Board of more definitive policy recommendations based thereon which would supersede NSC 153/1.

It is requested that special security precautions be observed in the handling of the enclosure and that access to it be very strictly limited on an absolute need-to-know basis.

JAMES S. LAY, JR.

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[2] For NSC Action No. 853, see footnote 2, p. 396; for NSC Action No. 868, see footnote 6, p. 440. NSC Action No. 886, taken during the course of the 159th meeting of the NSC on Aug. 13, noted that the Council had received an oral report by C.D. Jackson with reference to several proposed specific actions under Project Solarium and that the Council had directed that the Psychological Strategy Board be authorized to assume responsibility for those specific actions. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

[3] For text, see p. 399.

[4] Dated June 10, p. 378.

[Enclosure]

Draft Statement of Policy Proposed by the National Security Council

TOP SECRET [WASHINGTON,] September 30, 1953.

REVIEW OF BASIC NATIONAL SECURITY POLICY

GENERAL CONSIDERATIONS*

The Soviet Threat to the United States

1. The primary threat to the security, free institutions, and fundamental values of the United States is posed by the combination of:

a. Basic Soviet hostility to the non-communist world, particularly to the United States.
b. Great Soviet military power.
c. Soviet control of the international communist apparatus and other means of subversion or division of the free world.

2. a. The authority of the Soviet regime does not appear to have been impaired by the events since Stalin's death, or to be likely to be appreciably weakened during the next few years. The transfer of power may cause some uncertainty in Soviet and satellite tactics for some time, but will probably not impair the basic economic and military strength of the Soviet bloc. The Soviet rulers can be expected to continue to base their policy on the conviction of irreconcilable hostility between the bloc and the non-communist world. This conviction is the compound product of Marxist belief in their historically determined conflict with, and inevitable triumph over, "world capitalism" led by the United States, of fear for the security

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* Treasury and Budget propose the following as a paragraph of "General Considerations" to be inserted before the section "The Soviet Threat to the United States," with subsequent paragraphs renumbered accordingly:

1. The principal threats to the survival of the fundamental values and institutions of the United States are:

a. The formidable power and aggressive policy of the communist world led by the USSR; from which may result either (1) a prolonged stalemate, during which each side increases its armaments and reaches atomic plenty, and the balance of relative power positions may radically alter; or (2) a general war possibly initiated by a surprise attack by the USSR upon the United States.

b. Either (1) the serious weakening of our economy as a result of spending for defense over a sustained period largely in excess of our revenues, or (2) the change in our way of life through increasing our fiscal and manpower burdens for defense over a sustained period.

The United States must strike a proper balance between the risks arising from these threats. [Footnote in the source text. An earlier draft of this "General Considerations" portion of NSC 162, dated Sept. 28, is in S/P-NSC files, lot 61 D 167, "Solarium".]

of the regime and the USSR, especially in the face of a hostile coalition, of distrust of U.S. aims and intentions, and of long-established reliance on techniques of conspiracy and subversion. Accordingly, the basic Soviet objectives continue to be consolidation and expansion of their own sphere of power and the eventual domination of the non-communist world.

b. Soviet strategy has been flexible and will probably continue so, allowing for retreats and delays as well as advances. The various "peace gestures" so far have cost the Soviets very little in actual concessions and could be merely designed to divide the West by raising false hopes and seeking to make the United States appear unyielding. It is possible, however, that the USSR, for internal and other reasons, may desire a settlement of specific issues or a relaxation of tensions and military preparations for a substantial period. Thus far, there are no convincing signs of readiness to make important concessions to this end.

3. a.[5] The capability of the USSR to attack the United States with atomic weapons has been continuously growing and will be materially enhanced by hydrogen weapons. The USSR has [or shortly will have] † sufficient bombs and aircraft, using one-way missions, to inflict serious damage on the United States, especially by surprise attack. The USSR soon may have the capability of dealing a crippling blow to our industrial base and our continued ability to prosecute a war. Effective defense could reduce the likelihood and intensity of a hostile attack but not eliminate the possibility of a crippling blow.

b. The USSR now devotes about one-sixth of its gross national product to military outlays and is expected to continue this level. It has and will continue to have large conventional military forces capable of aggression against countries of the free world. Within the next two years, the Soviet bloc is not expected to increase the size of its forces, but will strengthen them with improved equipment and training and the larger atomic stockpile.

c. The Soviet bloc now has the capability of strong defense against air attack on critical targets within the USSR under favorable weather conditions, and is likely to continue to strengthen its all-weather air defenses.

4 a. The recent uprisings in East Germany and the unrest in other European satellites evidence the failure of the Soviets fully to subjugate these peoples or to destroy their desire for freedom;

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[5] A typewritten notation on the margin of the source text reads: "*Paragraph 3a*—The phrase in brackets could well be deleted in view of current intelligence estimates."

† Deletion proposed by the ODM Member and the FCDA Observer. [Footnote and brackets in the source text.]

the dependence of these satellite governments on Soviet armed forces; and the relative unreliability of satellite armed forces (especially if popular resistance in the satellites should increase). These events necessarily have placed internal and psychological strains upon the Soviet leadership. Nevertheless, the ability of the USSR to exercise effective control over and to exploit the resources of the European satellites remains intact, so long as it maintains military forces in the area.

b. The detachment of any major European satellite from the Soviet bloc does not now appear feasible except by Soviet acquiescence or by war. Such a detachment would not decisively affect the Soviet military capability either in delivery of weapons of mass destruction or in conventional forces but would be a considerable blow to Soviet prestige and might impair in some degree Soviet conventional military capabilities in Europe.

c. The Chinese Communist regime is firmly in control and is unlikely to be shaken in the foreseeable future by domestic forces or rival regimes, short of the occurrence of a major war. The alliance between the regimes of Communist China and the USSR is based on common ideology and current community of interests. With the death of Stalin and the Korean truce, Communist China may tend more to emphasize its own interests, though limited by its present economic and military dependence on the USSR, and, in the long run, basic differences may strain or break the alliance. At present, however, it appears to be firmly established and adds strategic territory and vast reserves of military manpower to the Soviet bloc.

5. a. The USSR does not seem likely deliberately to launch a general war against the United States during the period covered by current estimates (through mid-1955). The uncertain prospects for Soviet victory in a general war, the change in leadership, satellite unrest, and the U.S. capability to retaliate massively, make such a course improbable. Similarly, an attack on NATO countries or other areas would be almost certain to bring on general war, and in view of U.S. commitments or intentions, would be unlikely. The Soviets will not, however, be deterred by fear of general war from taking the measures they consider necessary to counter Western actions which they view as a serious threat to their security.

b. When both the USSR and the U.S. reach a stage of atomic plenty and ample means of delivery, each will have the probable capacity to inflict critical damage on the other, but is not likely to be able to prevent major atomic retaliations. This could create a stalemate, with both sides reluctant to initiate general warfare; although if the Soviets believed that initial surprise held the prospect of destroying the capacity for retaliation, they might be tempted into attacking.

c. Although Soviet fear of atomic reaction should still inhibit local aggression, increasing Soviet atomic capability may tend to diminish the deterrent effect of U.S. atomic power against peripheral Soviet aggression. It may also sharpen the reaction of the USSR to what it considers provocative acts of the United States. If either side should miscalculate the strength of the other's reaction, such local conflicts could grow into general war, even though neither seeks or desires it. To avoid this, it will in general be desirable for the United States to make clear to the USSR the kind of actions which will be almost certain to lead to this result, recognizing, however, that as general war becomes more devastating for both sides the threat to resort to it becomes less available as a sanction against local aggression.

6. The USSR will continue to rely heavily on tactics of division and subversion to weaken the free world alliances and will to resist the Soviet power. Using both the fear of atomic warfare and the hope of peace, such political warfare will seek to exploit differences among members of the free world, neutralist attitudes, and anti-colonial and nationalist sentiments in underdeveloped areas. For these purposes communist parties and other cooperating elements will be used to manipulate opinion and control governments wherever possible. This aspect of the Soviet threat is likely to continue indefinitely and to grow in intensity.

7. Over time, changes in the outlook and policies of the leadership of the USSR may result from such factors as the slackening of revolutionary zeal, the growth of vested managerial and bureaucratic interests, and popular pressures for consumption goods. Such changes, combined with the growing strength of the free world and the failure to break its cohesion, and possible aggravation of weaknesses within the Soviet bloc through U.S. or allied action or otherwise, might induce a willingness to negotiate. The Soviet leadership might find it desirable and even essential to reach agreements acceptable to the United States and its allies, without necessarily abandoning its basic hostility to the non-Soviet world.

Defense Against the Soviet Threat

8. In the face of the Soviet threat, the security of the United States requires:

a. Development and maintenance of the necessary capability:

(1) To inflict massive retaliatory damage by offensive strategic striking power;

(2) To provide U.S. and allied forces in readiness to move rapidly to counter local aggression by Soviet bloc forces or to hold vital areas and lines of communication in case of general war; and

(3) To provide a mobilization base, and its protection against crippling damage, adequate to insure victory in the event of general war.

b. Maintenance of a sound, strong and growing economy, capable of supporting through the operation of free institutions such capability over the long pull and of rapidly and effectively changing to full mobilization.

c. Maintenance of morale and free institutions and the willingness of the U.S. people to support the measures necessary for national security.

9. Within the free world, only the United States can provide and maintain, for a period of years to come, the atomic capability to counterbalance Soviet atomic power. Thus, sufficient atomic weapons and effective means of delivery are indispensable for U.S. security. Moreover, in the face of Soviet atomic power, defense of the continental United States becomes vital to effective security: to protect our striking force, our mobilization base, and our people. Such atomic capability is also a major contribution to the security of our allies, as well as of this country.

10. The United States cannot, however, meet its defense needs, even at exorbitant cost, without the support of allies.

a. The effective use of U.S. strategic air power against the USSR will require overseas bases on foreign territory for some years to come. Such bases will continue indefinitely to be an important additional element of U.S. strategic air capability and to be essential to the conduct of the military operations on the Eurasian continent in case of general war. The availability of such bases and their use by the United States in case of need will depend, in most cases, on the consent and cooperation of the nations where they are located. Such nations will assume the risks entailed only if convinced that their own security will thereby be best served.

b. The United States needs to have aligned on its side in the world struggle, in peace and in war, the armed forces and economic resources of the major highly-industrialized non-communist states. Progressive loss to the Soviet bloc of these states would so isolate the United States and alter the world balance as to endanger the capacity of the United States to win in the event of general war or to maintain an adequate defense without undermining its fundamental institutions.

c. [6] U.S. strategy including the use of atomic weapons, therefore, can be successfully carried out only if our essential allies are con-

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[6] A typewritten notation in the margin reads: "*Paragraph 10c*—The second sentence of the paragraph tends to obscure the basic point of the first, that our *funda-*

Continued

vinced that it is conceived and will be implemented for the purpose of mutual security and defense against the Soviet threat. U.S. leadership in this regard, however, does not imply the necessity to meet all desires of our allies [particularly in matters where their national interests may be divergent from the basic requirements for the security of the free world.] ‡

d. Our allies are, in turn, dependent on the United States for their security: (1) they lack that atomic capability which is the major deterrent to Soviet aggression; (2) most lack political and economic stability sufficient to support their military forces. The United States should be able for the foreseeable future to provide military aid, in more limited amounts than heretofore, to our essential allies. It should be possible in the near future, however, generally to eliminate most grant economic aid if coupled with appropriate U.S. economic and trade policies.

11. a. Under existing treaties or policies, an attack on the NATO countries, Western Germany, Berlin, Japan, the Philippines, Australia, New Zealand, and the American Republics or on the Republic of Korea, would involve the United States in war with the USSR, or at least with Communist China if the aggression were Chinese alone.

b. Certain other countries, such as Indochina or Formosa are of such strategic importance to the United States that an attack on them probably would compel the United States to react with military force either locally at the point of attack or generally against the military power of the aggressor. Moreover, the principle of collective security through the United Nations, if it is to continue to survive as a deterrent to continued piecemeal aggression and a promise of an eventual effective world security system, should be upheld even in areas not of vital strategic importance.

c. The assumption by the United States, as the leader of the free world, of a substantial degree of responsibility for the freedom and security of the free nations is a direct and essential contribution to the maintenance of its own freedom and security.

12. a. [7] The United States should keep open the possibility of settlements with the USSR, compatible with basic U.S. security inter-

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mental strategy must be for common defense, if it is to be successful. This involves no question of meeting all desires of our allies.

"The simplest solution would be deletion of the entire second sentence, or at least deletion of the bracketed clause."

‡ The State Member and the CIA Adviser wish to delete this clause. [Footnote and brackets in the source text.]

[7] A typewritten notation in the margin reads: "*Paragraph 12a*—Negotiated settlements which would remove specific sources of conflict are clearly desirable if 'Compatible with basic U.S. security interests'." Another typewritten notation reads: "*Paragraph 12a*—The sentence in brackets is correct and consistent with the rest of the paper. It is largely, but not entirely, covered in the next sentence."

ests, which would reduce specific sources of conflict,§ or the magnitude of the Soviet threat. [Moreover, to maintain the continued support of its allies, the United States must constantly seek to convince them of its desire to reach such settlements.] || But, in seeking to convince our allies that we are anxious to reach acceptable settlements, we must not allow the possibility of such settlements to delay or reduce efforts to develop and maintain adequate free world strength, or to afford breathing-space to the Soviets better to prepare for aggression.

b. It must be recognized, however, that the prospects for acceptable negotiated settlements are not encouraging. There is no evidence that the Soviet leadership is prepared to modify its basic attitudes and accept any permanent settlement with the United States, although it may be prepared for a *modus vivendi* on certain issues. Atomic and other major weapons can be controlled only by adequate and enforceable safeguards which would involve some form of international inspection and supervision. Acceptance of such serious restrictions by either side would be extremely difficult under existing conditions of suspicion and distrust. The chances for such disarmament would perhaps be improved by agreements on other conflicts either beforehand or at the same time, or by possible realization by the Soviets, in time, that armament limitation will serve their own interests and security.

c. The United States should promptly determine what it would accept as an adequate system of armament control which would effectively remove or reduce the Soviet atomic and military threat, and what concession it would be prepared to offer to obtain it.

Present State of the Coalition¶

13. a. The effort of the United States, especially since 1950, to build up the strength, cohesion and common determination of the free world has succeeded in increasing its relative strength and may well have prevented overt military aggression since Korea.

b. In Western Europe the build-up of military strength and the progress of economic recovery has at least partially remedied a situation of glaring weakness in a vital area. NATO and associated forces are now sufficient to make aggressive action in Europe

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§ The Defense, Treasury and ODM Members and the JCS Adviser favor deletion of the phrase "specific sources of conflict, or" if it conveys the same meaning as the word "tension". [Footnote in the source text.]

|| The Defense Member proposes deletion of this sentence. [Footnote and brackets in the source text.]

¶ The term "coalition" refers to those States which are parties to the network of security treaties and regional alliances of which the U.S. is a member (NATO, OAS, ANZUS, Japan, etc.), or are otherwise actively associated in the defense of the free world. [Footnote in the source text.]

costly for the USSR and to create a greater feeling of confidence and security among the Western European peoples. But the military strength in Western Europe is not sufficient to carry out its role of preventing a full-scale Soviet attack from overrunning Western Europe. Nor will this goal be fully achieved by continuing present rates of defense spending in Europe and present rates of U.S. military assistance, even with the inclusion of German forces in the presently-planned EDC. It is essential that the Western European states build and maintain maximum feasible defensive strength. The major deterrent to aggression against Western Europe is the manifest determination of the United States to use its atomic capability and massive retaliatory striking power if the area is attacked. However, the presence of U.S. forces in Western Europe makes a contribution other than military to the strength and cohesion of the free world coalition.

c. In the Far East, military strength of the coalition now rests largely on U.S. military power plus that of France in Indochina, the UK in Malaya and Hong Kong, and the indigenous forces of the Republic of Korea, Vietnam, and Nationalist China. Any material increase will require the revival of the economic and military strength of Japan.

d. The strength and cohesion of the coalition depends, and will continue to depend, on the continuing strength and will of the United States as its leader, and upon the assumption by each coalition member of a proper share of responsibility.

14. While the coalition is founded on common interest and remains basically sound, certain factors tend to weaken its cohesion and to slow down the necessary buildup of strength.

a. Some of these factors are inherent in the nature of a coalition led by one strong power. The economic and military recovery by our NATO allies from their low point of a few years ago, and the revival of Germany and Japan has given them a greater sense of independence from U.S. guidance and direction. Specific sources of irritation are trade with the Soviet bloc, the level of the defense effort, use of bases and other facilities, and the prospect of the discontinuance of U.S. economic aid without a corresponding change in U.S. trade policies.

b. The coalition also suffers from certain other weaknesses and dilemmas. The colonial issue in Asia and Africa, for example, has not only weakened our European allies but has left those areas in a state of ferment which weakens the whole free world. Efforts by the United States to encourage orderly settlements tend to leave both sides dissatisfied and to create friction within the alliance. Age-old issues such as divide France and Germany, or Italy and

Yugoslavia, still impede creation of a solid basis of cooperation against the Soviet threat.

c. Moreover, allied opinion, especially in Europe, has become less willing to follow U.S. leadership. Many Europeans fear that American policies, particularly in the Far East, may involve Europe in general war, or will indefinitely prolong cold-war tensions. Many consider U.S. attitudes toward the Soviets as too rigid and unyielding and, at the same time, as unstable, holding risks ranging from preventive war and "liberation" to withdrawal into isolation. Many consider that these policies fail to reflect the perspective and confidence expected in the leadership of a great nation, and reflect too great a preoccupation with anti-communism. Important sectors of allied opinion are also concerned over developments within the United States which seem to them inconsistent with our assumed role of leader in the cause of freedom. These attitudes materially impair cooperation with our allies and, if not overcome, could imperil the coalition.

d. Fear of what a general war will mean for them is deeply rooted and widespread among our allies. They tend to see the actual danger of Soviet aggression as less imminent than the U.S. does, and some have a fatalistic feeling that if it is coming they will not be able to do much about it. In the NATO countries, many have serious doubts whether the defense requirements can be met without intolerable political and economic strains. Certain of our allies fear the rearmament of Germany and Japan on any large scale, and in Germany and Japan themselves strong currents of opinion oppose it as unnecessary or dangerous. Moreover, in certain countries, particularly France and Italy, grave domestic problems have called into question not only the authority of the governments but also the basic foreign policies and alignments which they have followed. All these factors lead to allied pressure in favor of new major efforts to negotiate with the USSR as the only hope of ending the present tension, fear and frustration. This pressure has increased with recent "peace gestures" of the new Soviet leadership, which has made every endeavor to exploit it. Whether these hopes are illusory or well-founded, they must be taken into consideration by the United States.

The Uncommitted Areas of the World

15. Despite the Soviet threat, many nations and societies outside the Soviet bloc, mostly in the under-developed areas, are so unsure of their national interests, or so preoccupied with other pressing problems, that they are presently unwilling to align themselves actively with the United States and its allies. Although largely undeveloped, their vast manpower, their essential raw materials and

their potential for growth are such that their absorption within the Soviet system would greatly, perhaps decisively, alter the world balance of power to our detriment. Conversely, their orderly development into more stable and responsible nations, able and willing to participate in defense of the free world, can increasingly add to its strength.

16. In many of these uncommitted areas, forces of unrest and of resentment against the West are strong. Among their sources are racial feelings, anti-colonialism, rising nationalism, popular demand for rapid social and economic progress, over-population, the breakdown of static social patterns, and, in many cases, the conflict of local religious and social philosophies with those of the West. The task of building firm ties with these nations, counteracting neutralism, and solving their problems is complicated by the general unreliability of their governments and volatility of their political life. Outside economic assistance alone cannot be counted on either to solve their basic problems or to win their cooperation and support. In addition, constructive political and other measures will be required to create a sense of mutuality of interest with the free world and to counter the communist appeals.

U.S. Ability to Support Security Expenditures

17. [8] The United States must maintain a sound economy based on free private enterprise as a basis both for high defense productivity and for the maintenance of its living standards and free institutions. Not only the world position of the United States but the security of the whole free world is dependent on the avoidance of recession and on the long-term expansion of the U.S. economy. Threats to its stability or growth, therefore, constitute a danger to the security of the United States and of the coalition which it leads. Expenditures for national security, in fact all federal, state and local governmental expenditures, must be carefully scrutinized with a view to measuring their impact on the national economy.

18. The economy of the country has a potential for long-term economic growth. Over the years an expanding national income can provide the basis for higher standards of living and for a substantial military program. But economic growth is not automatic and requires fiscal and other policies which will foster and not

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[8] A typewritten notation on the source text reads: "*Paragraphs 17–27*—These paragraphs on the national economy were drafted by Treasury and Budget with the help of the Council of Economic Advisers. The bracketed sentences in paragraphs 20 and 23 contribute to the general impression that the defense effort is about to wreck the economy and destroy our liberties. The revisions are intended to give a fairer picture, in line with paragraph 39 as proposed by the agencies other than Treasury and Budget."

hamper the potential for long-term growth and which will operate to reduce cyclical fluctuations.

19. Excessive government spending leads to inflationary deficits or to repressive taxation, or to both. Persistent inflation is a barrier to long-term growth because it undermines confidence in the currency, reduces savings, and makes restrictive economic controls necessary. Repressive taxation weakens the incentives for efficiency, effort, and investment on which economic growth depends.

20. Under normal [peacetime] ** boom conditions the Federal Government should have a budget surplus. At present, it has a deficit. [At the same time, tax rates are so high and the structure of the tax system so bad that normal economic incentives for long-term growth are seriously restricted.] ††

21. In spite of the reimposition of tax rates at approximately the peak levels of World War II, expenditures have risen faster than tax receipts, with a resulting deficit of $9.4 billion in fiscal year 1953. Despite anticipated larger receipts, without the imposition of new taxes, and assuming substantially unchanged world conditions, a deficit of $3.8 billion is estimated for fiscal year 1954.

22. a. Under existing law, tax reductions of $5 billion a year will become effective next January. A proposal to impose substitute taxes therefor would be a reversal of policy.

b. Additional revenue losses of $3 billion a year are due to occur on April 1, 1954. Congress has not acted on the President's recommendation that these reductions be rescinded. Even if the $3 billion reduction is rescinded, or offset by revenue from new sources, large deficits would occur in FY 1955 and FY 1956 at present levels of expenditures.

23. The economic problem is made more difficult by the need to reform the tax system in the interests of long-term economic growth. Inevitably, many of the changes necessary to reduce the barriers to growth will lead to a loss of revenue in the years immediately following their adoption. [Because income tax rates are already repressive, and at the upper levels have reached the point of diminishing returns,] ‡‡ any additional revenue would have to be secured by new taxation on a broad base.

24. The present high level of the Government debt further complicates the financial and economic problems of the country. Sub-

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** Proposed by the State, Defense and FOA Members, and the JCS, CIA and OCB Advisers. [Footnote and brackets in the source text.]

†† The State, FOA and ODM Members and the OCB Adviser propose "At the same time, the rates and structure of the present tax system tend to restrict normal economic incentives for long-term growth." [Footnote and brackets in the source text.]

‡‡ The State Member and the CIA Adviser propose deletion. [Footnote and brackets in the source text.]

stantial additional borrowing could come only from sources which would be inflationary.

25. There is no precise level or duration of Government expenditures which can be predetermined in advance, at which an economic system will be seriously damaged from inflationary borrowing on the one hand or from destructive taxation on the other. The higher the level of expenditures, the greater is the need for sound policies and the greater are the dangers of miscalculations and mischance. These dangers now are substantial.

26. The requirements for funds to maintain our national security must thus be considered in the light of these dangers to our economic system, including the danger to industrial productivity necessary to support military programs, arising from excessive levels of total Government spending, taxing and borrowing.

27. Modifications of the foregoing fiscal policies to promote long-term growth may be necessitated for a limited period: (1) to deal with short-term cyclical problems or (2) to achieve overriding national objectives that justify departure from sound fiscal policies.

The Situation as to U.S. Manpower

28. a. The national security programs of the United States rest upon the manpower to operate them, the economy to produce the material for them, and the financial resources to pay for them.

b. In order to carry on our existing military programs we must utilize substantially all the qualified manpower annually coming of military age. Any considerable increase in the military demand for manpower would have to be met through enlarged compulsion on citizens of maturer age, through increased expenditures for enlistment and reenlistment incentives, and through longer enlistments.

c. The continuing development of more complicated weapons, machines, and devices used by the military greatly increases the need for military manpower possessed of higher skills, and emphasizes the need for expanded technical training and retention of technically trained personnel.

d. [9] The manpower factors mentioned in b and c above present limitations upon our national capacity to operate our present military programs, or to extend their size or technological requirements, unless we are prepared to move towards further restrictions upon the freedom of individual citizens. Significant moves in that direction would tend to alter the character of the free institutions and values which our security programs are designed to preserve.

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[9] A typewritten notation on the margin reads: "*Paragraph 28d*—The final sentence overstates the case already adequately made and might seem to bar additional use of manpower resources for the national security. It is recommended that you propose deletion of this sentence."

Morale

29. Support for the necessary security programs, based upon a sound productive system, is ultimately dependent also upon the soundness of the national morale and the political willingness of the country to support a government which it feels is holding the proper balance between the necessary sacrifices and the necessary defense.

POLICY CONCLUSIONS

Basic Problems of National Security Policy [10]

30. a. To meet the Soviet threat to U.S. security.

b. In doing so, to avoid seriously weakening the U.S. economy or undermining our fundamental values and institutions.

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[10] Typewritten notations on the margin at this point read as follows:

"*Paragraphs 31 and 32*—The main issue here is paragraph 32, as proposed by Treasury and Budget. Their idea is that the statement on the Soviet threat should be matched by one on the internal threat. The threat to the economy, however, is adequately treated in paragraph 39. The inclusion of paragraph 32 is repetitious and distorts the balance of the paper.

"The two versions of paragraph 31 are the same, except for omission of the introductory sentence in the Treasury version to conform to its insertion of paragraph 32 as part of the Soviet threat.

"*Paragraph 31a*—The words 'and possibly crippling' are justified here and make the sentence consistent with paragraph 3a.

"*Paragraph 31b*—The main point of the paragraph is the effect of growing Soviet atomic capability on our allies. The phrase in brackets (ODM) obscures this."

Nature of the Soviet Threat

[§§]31. The Soviet threat to United States security has two aspects:

a. With increasing atomic power, the Soviets have a mounting capability of inflicting very serious [and possibly crippling][||||] damage on the United States. The USSR will also continue to have large military forces capable of aggressive action against countries of the free world. Present estimates are, however, that the USSR will not deliberately initiate general war during the next several years, although general war might result from miscalculation.

b. The Soviets will continue to seek to divide and weaken the free world, and to isolate the United States, using cold war tactics and the communist apparatus. Their capacity for political warfare against the United States as well as its allies[*] will be enhanced by their increased atomic capability.

[¶¶] 31. a. With increasing atomic power, the Soviets have a mounting capability of inflicting very serious [and possibly crippling][||||] damage on the United States. The USSR will also continue to have large military forces capable of aggressive action against countries of the free world. Present estimates are, however, that the USSR will not deliberately initiate general war during the next several years, although general war might result from miscalculation.

b. The Soviets will continue to seek to divide and weaken the free world, and to isolate the United States, using cold war tactics and the communist apparatus. Their capacity for political warfare against the United States as well as its allies[*] will be enhanced by their increased atomic capability.

[§§] Proposed by Members other than Treasury and Budget. [Footnote in the source text.]

[||||] Proposed by the State and ODM Members and the CIA Adviser. [Footnote and brackets in the source text.]

[¶¶] Proposed by the Treasury Member and the Budget Adviser. [Footnote in the source text.]

[*] Proposed by the ODM Member. [Footnote and brackets in the source text.]

(The members other than Treasury and Budget consider that the points in para. 32 opposite are adequately covered in para. 39 below.)	† 32. a. A sound, strong, and growing U.S. economy is necessary to support over the long pull a satisfactory posture of defense in the free world and a U.S. capability rapidly and effectively to change to full mobilization. The United States can dangerously weaken its economy, its capacity for high productivity for defense, its free institutions, and the incentives on which its long-term economic growth depends, either: (1) By spending for defense against the Soviet threat, over a sustained period, largely in excess of its annual revenues; or (2) By adding substantial new or higher taxes to its high tax rates and bad tax system, over a sustained period, in an attempt to avoid inflationary deficits. b. A recession in the level of U.S. economic activity could seriously prejudice the security of the free world. c. Our existing military programs utilize substantially all our qualified manpower annually coming of military age and call for increasingly higher technological skills. Significant increases in military manpower might tend to alter the character of the free institutions and values which our security programs are designed to preserve.

Defense Against Soviet Power and Action

33. In the face of these threats, the United States must develop and maintain, at the lowest feasible cost, requisite military and nonmilitary strength to deter and, if necessary, to counter Soviet

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† Proposed by the Treasury Member and the Budget Adviser. [Footnote in the source text.]

military aggression against the United States or other areas vital to its security.

a. The risk of Soviet aggression will be minimized by maintaining adequate offensive retaliatory strength and defensive strength. This must be based on massive atomic capability, including necessary bases; an integrated continental defense system;‡ ready forces of the United States and its allies suitably deployed and adequate to deter or counter local aggression; and an adequate mobilization base; all supported by the determined spirit of the U.S. people.

b. Such strength is essential to counter the Soviet divisive tactics and hold together the coalition. If our allies were uncertain about our ability or will to counter Soviet aggression, they would be strongly tempted to adopt a neutralist position, especially in the face of the atomic threat.

34. In the interest of its own security, the United States must have the support of allies.

a. The military striking power necessary to retaliate depends for the foreseeable future on having bases in allied countries. Furthermore, the forces required to counter local aggressions must be supplied largely by our allies and cannot be furnished by the United States.

b. The loss of major allies by subversion, divisive tactics, or the growth of neutralist attitudes, would seriously affect the security of the United States.

35. United States policies must, therefore, be designed to obtain the cooperation of our allies and strengthen the cohesion of the free world.

a. Our allies must be genuinely convinced that our strategy is one of collective security. The alliance must be rooted in a strong feeling of a community of interest and firm confidence in the steadiness and wisdom of U.S. leadership.

b. Cooperative efforts, including equitable contributions by our allies, will continue to be necessary to build the military, economic and political strength of the coalition and the stability of the free world.

c. Constructive U.S. policies, not related solely to anti-communism, are needed to persuade uncommitted countries that their best interests lie in greater cooperation and stronger affiliations within the rest of the free world.

d. To enhance the capacity of free world nations for self-support and defense, and to reduce progressively their need for U.S. aid, the United States should assist in stimulating international trade, freer access to markets and raw materials, and the healthy growth of underdeveloped areas. In this connection, it should consider a modification of its tariff and trade policies.

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‡ The ODM Member calls attention to the fact that "continental defense" is not treated in detail in this paper because it has been the subject of a separate and recent NSC Report (NSC 159/4). [Footnote in the source text. For text of NSC 159/4, Sept. 25, see p. 475.]

[e. [11] In subsequent fiscal years the United States should further curtail economic grant aid and loans to other nations of the free world.]§

36. a. In Western Europe, a position of strength must be based mainly on British, French and German cooperation in the defense of the continent. To achieve a stronger Europe, the United States should support, as long as there is hope of early success, the building of an integrated European Community (including West Germany and if possible a united Germany), linked to the United States through NATO. In Western Europe the United States should press for a strong, united stable Germany, oriented to the free world and militarily capable of overcoming internal subversion and disorder and also of taking a major part in the collective defense of the free world against aggression.

The United States must continue to assist in creating and maintaining agreed European forces, but should reduce such assistance as rapidly as the United States concludes that the European economies can assume this burden.‖

Progressively lessened military aid should be given to the regional grouping in Western Europe.¶

b. In the Far East, strength must be built on existing bilateral and multilateral security arrangements until a more comprehensive regional collective security becomes feasible. The United States should stress assistance in developing Japan as a major element of strength. The United States should maintain the security of the off-shore island chain and continue to develop the defensive capacity of Korea and Southeast Asia in accordance with existing commitments.

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[11] A typewritten notation on the source text at this point reads: "*Paragraphs 35e and 36a*—The objection to the proposals of Treasury and Budget is that they require curtailment of aid without reference to the situation in the receiving countries and to economic policies which will serve as a substitute for aid. These points are more adequately covered in the present agreed text of paragraph 35d and the proposed last sentence of 36a (left-hand column)."

§ Proposed by the Treasury Member and the Budget Adviser. [Footnote and brackets in the source text.]

‖ Proposed by Members other than Treasury and Budget. [Footnote in the source text.]

¶ Proposed by the Treasury Member and the Budget Adviser. [Footnote in the source text.]

c.[12] In the Middle East, a strong regional grouping is not now feasible. In order to assure during peace time for the United States and its allies the resources (especially oil) and the strategic positions of the area and their denial to the Soviet bloc, the United States should build on Turkey, Pakistan and, if possible, Iran, and assist in achieving stability in the Middle East by political actions and token military and limited economic and technical assistance to other countries in the area.

d. In other areas of the free world the United States should furnish token military aid, and limited technical and economic assistance, to other free nations, according to the calculated advantage of such aid to the U.S. world position.

37.[13] a. A partial redeployment of U.S. forces from Europe and the Far East might contribute to continental defense, increase mobile reserves, and lead to a better division of defense burdens among the allies.	37. a. As presently deployed in support of our commitments, the armed forces of the United States are overextended, thereby depriving us of mobility and initiative for future military action in defense of the free world.
b. Under present conditions, however, any major withdrawal of U.S. forces from Europe or the Far East would be interpreted as a diminution of U.S. interest in the defense of these areas and would seriously undermine the strength and cohesion of the coalition.	b. Our diplomacy must concentrate upon clarifying to our allies in parts of the world not gripped by war conditions that the best defense of the free world rests upon the mobility of U.S. forces, centrally based; upon our political commitment to strike back hard directly against any aggressor who attacks such allies; and upon such allies' own indigenous security efforts.

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[12] A typewritten notation in the margin reads: "*Paragraph 36c*—NEA has proposed a redraft of the second part of the second sentence as follows: '. . . The U.S. should continue to build on Turkey as the strongest security element in the region, and should try to add Pakistan as another element of strength. Between these two cornerstones, it should try to develop stability and further elements of strength wherever conditions make it possible (with special attention to Egypt and Iran) by political actions and limited military, economic and technical assistance.' "

[13] A typewritten notation in the margin at this point reads: "*Paragraph 37*—The version on the left was accepted by all members of the Planning Board, including the JCS representative, as being in line with the present policy considerations. The version on the right was put forward by Mr. Cutler, on the basis of Admiral Radford's report to the President and the Council. The point made in subparagraph b in the left column would make it unwise to proceed now with such specific steps as are proposed in subparagraphs b and c of the right-hand version." Admiral Radford's reference report was presumably the same as that made to the NSC at its 160th meeting on Aug. 27; for the memorandum of discussion, see p. 443.

c. Continued study of our strategic concepts will determine the most effective deployment of our military forces.	c. A determination should be made whether, with the understanding of our allies, it would better promote the national security reasonably soon to initiate, and during the next few years to carry out, the redeployment toward the United States of the bulk of our land forces and other forces not required to guard overseas bases. Such redeployment cannot be instituted from the Far East, until an acceptable settlement is there obtained of existing war conditions.

38. a. In specific situations where a warning appears desirable and feasible as an added deterrent, the United States should make clear to the USSR and Communist China, in general terms or with reference to specific areas as the situation requires, its intention to react with military force against any aggression by Soviet bloc armed forces.

b. [14] The United States should use special weapons whenever they are required by the national security; it should make known this intent at an appropriate time, and secure as far as possible the understanding and approval of this decision by friendly governments and peoples.

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[14] A typewritten notation on the margin at this point reads: "*Paragraph 38b*— This paragraph, which raises the issue of the use of special weapons, is a particularly important one for the Council to discuss. If adopted, it should be revised to begin 'In the event of hostilities resulting from aggression . . .' ".

Protection of U.S. Economic System[**]	*Defense Against the Threat to the U.S. Economy and Institutions*[††]
39. [15] a. A strong healthy and expanding U.S. economy is essential to the security and stability of the free world. In the interest of both the United States and its allies, it is vital that the support of defense expenditures should not seriously impair the basic soundness of the U.S. economy by undermining incentives or by inflation.	39. a. Barring basic changes in the world situation, the Federal Government should bring its total annual expenditures into balance, or into substantial balance, with its total annual revenues and should maintain over-all credit and fiscal policies designed to assist in stabilizing the economy.
b. The United States must, however, meet the necessary costs of the policies essential for its security. The actual level of such costs cannot be estimated until further study, but should be kept to the minimum consistent with the carrying out of these policies.	b. The form of Federal taxation should be changed to encourage long-term economic growth; but the over-all level of Federal taxation should remain sufficient to achieve a substantially balanced federal budget.

[**] Proposed by members other than Treasury and Budget. [Footnote in the source text.]

[††] Proposed by the Treasury Member and the Budget Adviser. [Footnote in the source text.]

[15] A typewritten notation in the margin reads: "*Paragraph 39*—The two versions embody the basic difference between Treasury-Budget position and that of the other agencies. The left-hand version states the need to meet the *necessary* costs of policies essential for security, and the belief that the American public will support such expenditures if the security needs are fully explained and understood (subparagraphs b and c). The Treasury version (the right-hand column) omits these points and puts its whole emphasis on a balanced budget and the maintenance of credit and fiscal policies, with the implication that these must be the controlling factors."

c. If defense costs do not materially exceed current levels, it is believed that they can be met without serious damage to the free economic system of the United States if they are financed by appropriate tax and fiscal measures. Without minimizing the strong opposition to high taxation, it is believed that the United States public can be expected to support the requisite measures and expenditures if our security needs are fully understood.

d. [c.][16] Every effort should be made to eliminate waste, duplication, and unnecessary overhead in the Federal Government, and to minimize Federal expenditures for programs that are not essential to the national security.

e. [d.] The economic potential of private enterprise should be maximized by minimizing governmental controls and regulations, and by encouraging private enterprise to develop natural and technological resources (e.g. nuclear power).

f. [e.] The United States should seek to maintain a larger and expanding rate of economic activity at relatively stable price levels.

Morale

40. To support the necessarily heavy burdens for national security, the morale of the citizens of the United States must be based both on responsibility and freedom for the individual. The dangers from Soviet subversion and espionage require strong and effective security measures. Eternal vigilance, however, is needed in their exercise to prevent degeneration which might involve the intimidation of free criticism. It is essential that necessary measures of protection should not be so used as to destroy the national unity based on the lasting values of freedom, not on fear.

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[16] Brackets in the remaining paragraphs of Section 39 are in the source text.

Reduction of the Soviet Threat [17]

41. While the United States must seek to improve its relative power position and may succeed in doing so, the Soviet threat can be substantially reduced only through settlements which both the United States and the USSR find it in their interest to accept. Obviously, any acceptable settlements must not compromise the basic security of the United States.‡‡

41. Short of initiating general war, substantial reduction of the Soviet threat over a longer period can be accomplished only by actions designed to bring about a negotiating attitude in the USSR and its resulting accomodation to the security of the United States and that of the free world.§§

a. The United States should, therefore, keep open the possibility of negotiating with the USSR and Communist China acceptable and enforceable agreements, whether limited to individual issues now outstanding or involving a general settlement of major issues, including control of armaments.

b. The willingness of the Soviet leadership to negotiate acceptable settlements, without necessarily abandoning hostility to the non-Soviet world, may tend to increase over time, [if Soviet stability and influence are reduced and]|||| if the United States and its allies develop and increase their own strength, determination and cohesion, maintain retaliatory power sufficient to insure the destruction of the Soviet system should the USSR resort to general war, and prove that the free world can prosper despite Soviet pressures.

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[17] Typewritten notations in the source text at this point read:

"*Paragraph 41*—It is recommended that you support the left-hand version which merely states the proposition that settlements are the only way, short of war, in which the Soviet threat can be *substantially* reduced, and stipulates that such settlements must not compromise the security of the U.S. The version on the right (Defense, JCS and ODM) implies that we can expect a completely one sided accommodation by the USSR to our views.

"*Paragraph 41a*—FE questions the reference to Communist China.

"*Paragraph 41b*—The phrase in brackets implies that we can undermine Soviet stability which is inconsistent with other parts of this paper."

‡‡ Proposed by the State Member and the CIA Adviser. [Footnote in the source text.]

§§ Proposed by the Defense and ODM Members and the JCS Adviser. [Footnote in the source text.]

||||Proposed by the Defense and FOA Members and the JCS and OCB Advisers. [Footnote and brackets in the source text.]

c. [18] To maximize the chances of settlement, the United States and its allies should make clear to the leaders and people of the USSR that they are prepared to accept a settlement recognizing the territorial integrity and internal political and economic organization of the USSR, provided that the USSR foregoes external expansion and domination of other peoples and joins in an effective program of arms limitation under proper safeguards.

42. As a means of reducing Soviet capabilities for extending control and influence in the free world, the United States should:

a. Take overt and covert measures to discredit Soviet prestige and ideology as effective instruments of Soviet power, and to reduce the strength of communist parties and other pro-Soviet elements.

b. Take all feasible diplomatic, political, economic and covert measures to counter any threat of a party or individuals directly or indirectly responsive to Soviet control to achieve dominant power in a free world country.

c. Undertake selective, positive actions to eliminate Soviet-Communist control over any areas of the free world.

43. a. Measures to impose pressures on the Soviet bloc should be designed primarily to create [should take into account the desirability of creating] ¶¶ conditions which will induce the Soviet leadership to be more receptive to acceptable negotiated settlements.

b. Accordingly, the United States should take feasible political, economic, propaganda and covert measures designed to create and exploit troublesome problems for the USSR, impair Soviet relations with Communist China, complicate control in the satellites, and retard the growth of the military and economic potential of the Soviet bloc.

[c. The United States should not, however, initiate aggressive actions involving force against Soviet bloc territory. Limited actions within our capabilities would not materially reduce the Soviet threat even if successful. Moreover, they are likely materially to increase the risk of general war, would place serious strains on the coalition, and might well destroy the chances of agreement with the USSR on the more fundamental aspects of the Soviet threat.] *

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[18] A typewritten notation in the margin at this point reads: "*Paragraph 41c*—The drafting of this paragraph is not altogether happy: It now seems to make arms limitation a condition precedent to any political settlement, and also to threaten the destruction of the USSR's territorial integrity and political system if it does not free all the peoples now under domination and join an effective program of arms limitation. EUR also questions the desirability of stating the U.S. position on the territorial integrity of the USSR, even though it is a sound position, in view of the possible impact on the minority peoples of the USSR.

"The main point of the paragraph is that the U.S. should make clear that its security policies are aimed not at the destruction of the USSR or at dictating its political and economic organization, but at preventing aggression and achieving a secure peace."

¶¶ Proposed by the Defense, ODM, and FOA Members and the JCS Adviser. [Footnote and brackets in the source text.]

44. In the face of the developing Soviet threat, the broad aim of U.S. security policies must be to create, prior to the achievement of mutual atomic plenty, conditions under which the United States and the free world coalition are prepared to meet the Soviet-Communist threat with resolution and to negotiate for its alleviation under proper safeguards. The United States and its allies must always seek to create and sustain the hope and confidence of the free world in the ability of its basic ideas and institutions not merely to oppose the communist threat, but to provide a way of life superior to Communism.

45. The foregoing conclusions are valid only so long as the United States maintains a retaliatory capability that cannot be neutralized by a surprise Soviet attack. Whenever there is substantial evidence that the USSR is likely to develop the capability to knock out our atomic striking power, the entire policy of the United States toward the USSR will have to be radically re-examined.

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* The Defense, ODM and FOA Members, and the JCS Adviser propose deletion of this paragraph. [Footnote and brackets in the source text.]

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 165th Meeting of the National Security Council, Wednesday, October 7, 1953 [1]

[Extract]

TOP SECRET EYES ONLY

Present at the 165th Council meeting were the following: The President of the United States, presiding; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General; the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission; the Federal Civil Defense Administrator; the Secretary of the Army; the Secretary of the Navy; the Secretary of the Air Force; the Chairman, Joint Chiefs of Staff; the Chief of Staff of the Army; the Chief of Naval Operations; the Chief of Staff of the Air

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[1] Drafted by Deputy Executive Secretary Gleason on Oct. 8.

Force; the Commandant, U.S. Marine Corps; the Chairman, Council of Economic Advisers; Robert R. Bowie, Department of State; the Director of Central Intelligence; Robert Amory, Jr., Central Intelligence Agency; Sherman Adams, the Assistant to the President; Maj. Gen. Wilton B. Persons, Deputy Assistant to the President; Robert Cutler, Special Assistant to the President; C.D. Jackson, Special Assistant to the President; Brig. Gen. Paul T. Carroll, Acting White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

Following is a summary of the discussion at the meeting and the chief points taken.

. . . .

3. Review of Basic National Security Policy (NSC 162) [2]

Mr. Cutler first briefed the Council on the historical background of NSC 162. He then explained the manner in which the present report had been drafted, the important differences which NSC 162 contained, and expressed the hope that the Council would be able in the course of its consideration to resolve these differences of opinion and arrive at an agreed statement of policy. In order to assist in this process, Mr. Cutler said that he had attempted to reduce the statement of these differences in each case to a paragraph and suggested that the Council discuss each of these paragraphs and come to an agreement to resolve the differences.

The first of these differences concerned the nature of the Soviet threat. Side "A", Mr. Cutler pointed out, sees the threat to the United States as the basic Soviet hostility to the United States and the Soviet's formidable military power. While acknowledging a sound U.S. economy is essential, Side "A" believes the United States *must* first meet necessary security costs.

Side "B", on the other hand, sees the threat to the United States as a dual threat—the external threat of Soviet power; the internal threat of weakening our economy and changing our way of life. Side "B" believes the U.S. must strike a proper balance between the risks arising from these two threats.

When Mr. Cutler finished his exposition of this difference, the President inquired whether Side "A" would sustain its position even if it proved necessary to go to the lengths of general mobilization and the imposition of tight controls on the economy. The President readily agreed that you could get the American people steamed up to do whatever you told them was necessary for a certain length of time. If, however, this process was to go on indefinitely, it would be necessary to resort to compulsory controls. If Side "A", said the President, backs up its position to the ultimate limit it would lead to both general mobilization and out-and-out regimentation.

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[2] Dated Sept. 30, p. 489.

In reply to the President's question, Mr. Cutler stated that, by implication at least, Side "A's" answer was to be found on page 27 of the report, which contained the statement in paragraph 39-b "The United States must, however, meet the necessary costs of the policies essential for its security."

Although the President observed that he thought that this amounted to hedging and that the statement contained contradictions, Mr. Cutler answered that by implication at least Side "A" was prepared to go to full mobilization and controls if this were necessary to safeguard the national security.

The Director of the Budget explained that the basic objection of the Budget and the Treasury to Side "A's" statement as to the nature of the threat was that it ignored the economic threat at the very outset of the report. It chose to do this even though all of us know that it is an objective of Soviet strategy to destroy our capitalist economy by means of economic warfare. Mr. Dodge gave it as his opinion that this was a very successful element of the Soviet strategy although it was not so dangerous as the H-bomb. In sum, Mr. Dodge argued that as the threat to the economy was part and parcel of the Soviet threat, it should be mentioned at the beginning and not relegated to later pages in the report.

The President digressed for a moment to discuss statements by Government officials with regard to the H-bomb (see previous item) and then went back to comment on the view just expressed by Mr. Dodge. He expressed agreement with Mr. Dodge that if you ignored this economic threat, you are simply refusing to be realistic. If Side "A" was really prepared to envisage expenditures to a point which would produce compulsory controls or general mobilization it should say so and the President would understand.

Secretary Wilson stated that he could not agree with Mr. Dodge's position. While the threat to the economy was real, it was not clearly set forth by the Treasury and the Bureau of the Budget in the language of Side "B". Incidentally, said Secretary Wilson, he would like to know who was on side "A" and who on Side "B". The President replied that he would prefer not to know who was on what side and that the Council could accomplish its task more effectively if the identity of the members of the two sides was not an issue.

Secretary Humphrey said that it was essential to get beyond disagreements in language to divergences of thought which were obviously very deep. Actually the issue of the nature of the threat was the number one problem facing the Administration. It must, therefore, be thoroughly talked out among friends whose only interest was to save their country. The issue, continued Secretary Humphrey, was even more clearly posed on the first page of the comments of the Joint Chiefs of Staff on NSC 162. [3] On this page the Joint Chiefs had argued against including a reference to the economic threat as more than an incidental threat. Moreover, the Joint Chiefs' paper had argued that we must take measures to defeat the external Soviet threat even if in the process we changed our way of life. At least, said Secretary Humphrey, these statements clearly posed the real issue. The great difficulty, of course, was that we don't really have all the facts we need either on the nature of the Soviet threat or on the nature of the economic threat. On top of this problem was the question of timing. There were plenty of things that you could stand for one year that you might not be able to stand for ten years. Are we going to meet this threat, asked Secretary Humphrey, in the same way that the previous Administration had tried to meet it. To decide on some future D-day and then try desperately and in the shortest possible time to rearm the country to a point which might enable it to meet this threat; or do we propose to consider ways and means of meeting a threat which will be with us over a very long time. It was important to decide this, thought Secretary Humphrey, because over the long haul we could easily be destroyed by either of the two threats, external or internal. If we mean to face this Soviet threat over a long time we must spend less than we are now spending and do less than we are now doing. If, on the other hand, we believe that we must anticipate a Soviet attack in a year's time or that we might be compelled to attack the Soviet Union, then obviously we ought to do and spend more than we are doing and spending now. This, said Secretary Humphrey, seemed to him the essence of the issue.

The Secretary of State commented that it was not wholly clear to him what adoption of the present report would really decide. If adoption of the paper meant that the United States was going ahead to balance its budget and cut its taxes and that everything else must give way to this objective, he was strongly against it. This would be a decision reached in the dark. With obvious emotion, Secretary Dulles pointed out that as yet the National Security Council had been presented with no precise estimates of the costs to maintain the defense system of the free world coalition. No one knew as yet what this would cost but we certainly couldn't throw the common defense system out the window because we had to balance the budget. Furthermore, continued Secretary Dulles, it seemed significant to him that there was never any talk of making any drastic cuts except in defense expenditures. What about cutting in other areas. Why do we continue spending $2 billion annually for price supports of agriculture. I believe, concluded Secretary Dulles, that we might quite possibly accomplish all the security objectives we have in mind and at the same time succeed in bringing the budget substantially into balance. I don't know for sure and we can't know until we have more information.

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[3] A copy of the 10-page detailed comments of the JCS on NSC 162, dated Oct. 6, 1953, is in S/P-NSC files, lot 61 D 167, NSC 162.

Both the President and Secretary Humphrey questioned the justice of Secretary Dulles' contention that Side "B" was arguing that the budget must be balanced at whatever cost to the national security programs. They also pointed out that cuts and reductions had been made in other areas than the national security programs. Director Dodge added figures to show that there was no hope of balancing the budget unless cuts were made in appropriations for the national security.

Secretary Dulles remained unconvinced by these arguments and insisted that paragraph 39–a proposed by the Treasury and the Budget seemed to him to call for balancing the budget at whatever cost, "barring basic change in the world situation." This seemed to Secretary Dulles an absolute. But Secretary Humphrey responded in defense of this paragraph by insisting that you could reach a balanced budget by increasing taxes. All this paragraph argued was that you must approach a balanced budget at some level—a higher if not a lower level.

Secretary Dulles said that in any case he could not accept the argument that a completely balanced budget was essential under existing conditions. This was the argument of a doctrinaire and indeed it was adherence to this view which had caused the Hoover Administration to blow up. The facts simply did not justify the conclusion that you have got to balance the budget. There was still leeway.

Secretary Humphrey repeated his insistence that he was not saying that the budget must be balanced come what may. Rather, we were talking of a trend—the direction in which we propose to go. Treasury and Budget were indeed seeking a suitable posture of defense that would square with what the country could afford to pay for. Secretary Dulles answered that if this was the view of the Budget and the Treasury it was all he could ask. Mr. Dodge pointed out that the discussion was beginning to be confused. We were supposed to be directing our thought to the first difference of opinion, namely, the nature of the threat to the United States and actually the discussion had moved on to the third issue, namely, how to finance United States security programs.

The President expressed agreement and said that the issue before the Council at this point was the long-term capacity of the United States to survive. All of us, said the President, admit that we can endure anything for a year or two and he added that this Administration had never issued any promise to balance the budget in any specific year such as 1953 or 1954. Nevertheless, in the long run this country must have a sound dollar. Moreover, this sound dollar lies at the very basis of a sound capability for defense.

Governor Stassen then proposed a formula which he said might produce agreement between the two sides. This formula would run along the lines that we must do the maximum to meet the external threat, which is possible to do without changing our way of life.

Secretary Wilson expressed agreement with Governor Stassen's statement. Secretary Humphrey did not. Governor Stassen went on to point out to the President that he had "freed up" the economy of this country in the last eight months. The standard of living in large parts of Europe was on the upgrade. This was also the case in Japan. At the very same time that we are thus strengthening and expanding these economies, we are building our defenses. The way in which we now move to maximize our defense posture is substantially the same way we would move if later on we have to force an issue with the Soviet Union. This, said Governor Stassen, was in response to the President's concern with the threat posed by Soviet possession of the H-bomb.

Mr. Flemming explained that he found himself in agreement with Secretary Dulles that it was very difficult to decide on this issue in the absence of specific and concrete information as to the costs of an adequate defense and security program. If, however, Side "A" was maintaining that we need more taxes and controls in order to meet the threat posed by the Soviet Union, he, Mr. Flemming, favored Side "A's" position, more taxes and controls.

The President, however, reverted to his earlier argument that Side "A" seemed to assume that everything that was necessary for national defense could be accomplished without grave damage to the economy. The Joint Chiefs had gone even further and said that we should do what was necessary even if the result was to change the American way of life. We could lick the whole world, said the President, if we were willing to adopt the system of Adolph Hitler. He wished, said the President, that some of the other members of the Council could see the daily beating which he was taking from exponents of the balanced budget and greater economy. I feel sure, said the President, that I can get what we need for a period of time but if these necessities are to continue over a long period, I am inclined to go along with Secretary Humphrey. The real issue is how long can we afford to do all that Side "A" feels we must do to meet the threat.

Mr. Cutler expressed concern that the meeting of the National Security Council was degenerating into a debating society. He pointed out that the economic issues had been broken down into three parts and invited the Council to return to consideration of the first issue which was the statement of the nature of the threat facing the United States.

Mr. C.D. Jackson then inquired if he might have the floor for a moment. He expressed the opinion that both sides had actually "fudged" because it was apparent that the mood of those who had prepared NSC 162 was that equal weight should be assigned to adequate defense and to a balanced budget. The Joint Chiefs of Staff, Mr. Jackson contended, had done better in recognizing clearly that our way of life may have to be upset. As he saw it, concluded Mr. Jackson, the National Security Council must decide that the defense of this nation is much more important than balancing budgets or lowering taxes.

Mr. Cutler observed that while the Joint Chiefs' paper may have taken a bolder approach to the issue, their paper had not done complete justice to Side "B's" evaluation of the external threat. After all, Side "B" did agree that the Soviet threat was primary.

The President observed that he didn't think anyone present here thought that the cost of winning a global war against the Soviet Union was a cost too high to pay. He, too, however, preferred the Joint Chiefs' statement since he doubted if we could get this so-called adequate defense over a sustained period without drastically changing our whole way of life.

Secretary Wilson, speaking with strong conviction, said he wanted to point out that if we ever go to the American people and tell them that we are putting a balanced budget ahead of national defense it would be a terrible day. What we are really trying to do is to ascertain and reach a reasonable posture of defense over a long period. If we can do this within a balanced budget, fine. If not, we will simply have to postpone balancing the budget. We can't balance the budget over night in any case in view of what we have inherited from the previous Administration, but at least we have been doing better in the last few months and we can't throw all these gains away in order to save a couple of billion dollars.

The President said it was more than a couple of billion dollars. NSC 141 [4] which had been left on our doorstep by the outgoing Administration had called for additional expenditures in the neighborhood of $20 billions in order to provide adequately for the national security. I think, said the President, that the American people ought to know when and how the law of diminishing returns sets in so heavy as to prove fatal.

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[4] Dated Jan. 19, p. 209.

Secretary Wilson replied that, of course, he was not advocating an additional $20 billions nor defending NSC 141. Secretary Humphrey added that likewise no one wanted to balance the budget at the sacrifice of the national security. Secretary Wilson interrupted to say that he wished Secretary Humphrey would make this last statement publicly. Secretary Humphrey went on to add that while we did not propose to balance the budget by sacrificing our security, we are, nevertheless, making every effort to revise and perfect our defense establishment and to get it within the limits of the means available to us. If all of us set out to reach this objective we can achieve it. Secretary Humphrey then referred to Admiral Radford's comments on this subject at a previous meeting of the National Security Council in which Secretary Humphrey said he had detected a genuine meeting of minds. Returning to the point at issue Secretary Humphrey said that he could not believe that it was right that there should be no reference to the internal threat in a basic statement of policy before page 17. The military ought to be so damned dollar conscious that it hurts.

The President commented that after all we were engaged in defending a way of life as well as a territory, a population, or our dollar. This being the case, a recognition of this fact should comprise the first statement in the policy paper. If so, all subsequent statements in the paper would reflect this fundamental fact. If such a statement were included, it would be a satisfactory solution of this first issue. Secretary Humphrey said that such a statement as the President suggested would certainly satisfy him, but Secretary Wilson argued that it was perfectly possible for the United States to spend more money on defense than it was now spending without radically changing the American way of life and provided people realize that the added expenditure is vital. In view of the fact that the American standard of living had never been higher than it was at the present time it was foolish to insist that we can spend no more.

The President again pointed out to Mr. Wilson the importance of the time element. You could get the American people to make these sacrifices voluntarily for a year or for two or for three years but no eloquence would sell this proposition to the American people for the indefinite future.

Secretary Humphrey agreed with the President and added that you could mulct the country for five years but not for twenty. Governor Stassen, addressing himself to Secretary Humphrey, asked whether we had been mulcting the country or building it.

Governor Peterson said he believed that Side "B's" proposal should be inserted in paragraph 1. Mr. Flemming expressed vigorous preference for the wording that the President had just suggested as a solution. He warned that if the language of Side "B" were admitted into the policy statement, it would presently become current throughout all the departments and agencies and could have very dangerous repercussions. Secretary Dulles supported Mr. Flemming's contention and pointed out that every word in these NSC policy statements is taken very literally by the staffs of the departments and agencies. While we at the National Security Council level may not differ fundamentally, dangerous differences could develop at the staff level to the point of actually wrecking our whole security program.

The Attorney General expressed the opinion that in trying to reconcile Side "A" and Side "B" on this issue the Council was actually rendering a disservice to the President and to the country. The President should have both the statements before him and take them into consideration in making decisions on concrete programs and budget problems as these were presented to him for decision.

In response to this suggestion from Mr. Brownell, Mr. Cutler pointed out that it was essential to have an agreed written statement as a guide to the departments and agencies. If we are unable to resolve differences at the NSC level we can be certain they won't be resolved at any other level, nor will we have any real economies in the conduct of this Government.

The President then referred to paragraph 30-a and b of NSC 162 which pointed out that the basic problem of national security policy was to "meet the Soviet threat to United States security" and "in doing so to avoid seriously weakening the United States economy or undermining our fundamental values and institutions." Do both sides, asked the President, agree with that statement of the basic problem. If they do, why not substitute similar language for what now appears on page 1 of the present paper.

Mr. Cutler posed this question and the Council agreed with the President's suggestion. Mr. Cutler pointed out that this solved the problem as it was set forth on page 1 but that the Council must now deal with the same problem as it was set forth on page 19. In short, the Council should decide whether the Soviet threat had one or two aspects—external and internal.

After thinking a moment, in response to Mr. Cutler's posing of the question, the President said he felt that he had little to quarrel with in the text on the right hand side of page 20 (paragraph 32-a and b).

Mr. Dodge pointed out that the members of the Council should realize that this basic statement of policy would constitute a guide to all departments and agencies of the Executive Branch. Accordingly, it was necessary for the report to contain adequate recognition of the economic threat to the nation.

With a smile, the President turned to Mr. Dodge and said, "Joe, fundamentally you think all soldiers are spendthrifts." Mr. Cutler then asked whether members of the Council who supported Side "A" were willing to agree to accept paragraphs 32-a and 32-b on the necessity for a sound and growing economy as set forth by Side "B". Secretary Dulles replied that while he had no particular opposition to this proposal, he questioned whether the National Security Council was the appropriate body to pass judgments on problems of taxation. There was general agreement, however, to the insertion of a modified version of Side "B's" paragraph 32.

Mr. Cutler then said that the Council was ready to consider the second major divergence in the paper, namely, as to the effect on the economy of existing United States tax reates and tax structure. He pointed out that Side "A" believed that the rates and structure of the tax system *tend* to restrict normal incentives for long-term growth. Side "B" believed that tax rates are so high and the structure of the tax system so bad that normal incentives for long-term economic growth are *already seriously* restricted.

At the conclusion of Mr. Cutler's explanation of this second issue, the President expressed doubt as to whether the National Security Council was the appropriate body to deal with this issue. When, however, Mr. Cutler pressed for a solution of this issue, the President went on to say that he would not be inclined to quarrel with the view of Side "B" since, after all, the Treasury and Budget were the experts in this field. Secretary Wilson said that in so far as this issue was posed in paragraph 20, he favored leaving out the paragraph altogether. He felt that the paragraph had no point since we cannot be said to have at the present time "normal peacetime boom conditions."

Secretary Humphrey and the other members of the Council agreed to the elimination of this paragraph and subsequently also agreed to the elimination of the bracketed portion of paragraph 23, which posed the same issue. The President commented that there seemed to be some evidence that the present report had been prepared for a wider audience than he hoped a Top Secret report would get. This occasioned laughter, and the President went on to say that some of the exposition of this problem in the paper contained redundancies.

Mr. Cutler then raised the third major issue in the present report, namely, how to finance United States security programs. He pointed out that Side "A" believed that in meeting necessary U.S. security costs and maintaining a sound U.S. economy, we must be prepared to maintain or increase present tax levels; and the American people can be persuaded to support such measures. Side "B", consisting of the Treasury and the Bureau of the Budget, believed that barring basic changes in the world situation, the Budget should be brought into substantial balance by reducing expenditures while not increasing taxes above the January 1954 levels. This issue appeared in paragraphs 39–a–b and c on page 27.

After Mr. Dodge had explained the reasons why Budget and Treasury believed their view more correct, the President asked if anyone wanted to take on Representative Reed [5] in the matter of arguing for tax increases. After the laughter had subsided, Secretary Humphrey posed the question: What is the real objective of the Administration. Was it to live within our means or not. Over the long haul, said Secretary Humphrey, he was convinced that we must live within our means.

Secretary Dulles said he feared that the language proposed by Side "B" would be interpreted as an absolute commitment to balance the budget and he felt such a commitment at this time to be very dangerous.

The President observed that in view of the vital importance of a sound U.S. economy, it was necessary every time an expenditure was proposed to consider the effect of this expenditure on the economy. Wasn't this, he inquired, the essence of the problem. If we give this view as a clear-cut directive to all the staffs of Government agencies, we need not bother with philosophic dissertations on the problem. With a chuckle, the President said that he now seemed to be with Side "A".

Secretary Humphrey suggested that he would buy Side "A's" version of paragraph 39 if it could be revised to include the phrase "over a long period of time." It was agreed, after further discussion, to accept the version of paragraphs 39–a and b as set forth in Side "A's" version but to strike subparagraph c in Side "A's" version and to put in its place as 39–c the paragraph 39–a proposed by Side "B".

Mr. Cutler then explained the fourth area of disagreement, namely, foreign economic assistance, pointing out that Side "A" believed that U.S. economic grant aid and loans to other nations of the free world should be progressively reduced only if modification of U.S. trade and tariff policies permits these nations to substitute trade for aid. Side "B" believed that in subsequent fiscal years the United States should further curtail economic grant aid and loans to other nations without conditioning such curtailment upon a modification of U.S. trade and tariff policies. The President's first comment was to point out the difficulty of generalizing on this kind of a problem. The real criterion was what our true interests dictated. The President went on to say that he was very weary of hearing our efforts to assist other nations described as the real cause of our unbalanced budget. Much of the money we had spent abroad, said the President, had been very well spent indeed.

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[5] Representative Daniel A. Reed (R., N.Y.), Chairman of the House Ways and Means Committee, 83d–84th Congresses.

Mr. Dodge pointed out that Side "B" simply did not wish to predicate any reduction of foreign economic assistance on a reduction of U.S. tariffs. A mere reduction of these tariffs, he insisted, would not really answer in its entirety the problem of stable economies in foreign countries. Secretary Wilson supported the view of Side "A" and suggested the omission of paragraph 35-e which Side "B" desired to include. The President then invited Secretary Dulles to speak to this issue.

Secretary Dulles pointed out that we might well find a number of foreign areas where an immediate increase in American economic assistance would not only confer great advantage from the point of view of security but would later on permit actual savings. As instances, Secretary Dulles cited Japan and Germany. Appropriate assistance to these nations now might well enable us soon to bring back U.S. divisions stationed in these countries with the saving of money which would naturally follow.

Though the prevailing view seemed to favor Side "A", Secretary Humphrey pointed out how much he disliked to leave the statements with regard to U.S. economic assistance without any qualification whatsoever on the degree of this assistance. He cited the loans to Brazil as an example of the danger. After further discussion, in the course of which the President and the Secretary of State cited the example of India and pointed out that if India collapsed, the whole of Asia would unquestionably go down the drain, the Council accepted a revision of paragraph 35-a which placed a limitation on further economic grant aid and loans "based on the best interests of the United States."

Mr. Cutler then raised the next difference of view which concerned foreign military assistance as opposed to foreign economic assistance. On this issue Mr. Cutler pointed out Side "A" believes that military aid to Europe should be reduced only as rapidly as the European economies can assume the burden of maintaining agreed adequate forces. Side "B" believed that the progressive reduction of U.S. military aid to Europe should not be primarily dependent upon the capability of the European economies to assume this burden. The President commented with some warmth that he would never agree to the progressive reduction suggested by Side "B" as long as we were still desperately trying to add twelve

German divisions to the defense forces of Western Europe. He said he wanted General Ridgway to make a statement as to the importance of these divisions.

General Ridgway replied that in his view these twelve divisions were absolutely indispensable to the accomplishment of our mission in Europe.

Mr. Dodge replied that if the Council adopted the view of Side "A" as set forth in paragraph 36-a, it would amount to stating that we cannot reduce our military aid until these nations state that they are able to carry the load. After further discussion it was agreed to accept the version of paragraph 36-a proposed by Side "A", dropping out the last phrase which read "as rapidly as the United States concludes that the European economies can assume this burden" and to substitute therefor the phrase "as rapidly as the United States security interests permit."

The next issue, said General Cutler, concerned the redeployment of U.S. forces overseas. Side "A", said Mr. Cutler, maintained that a major redeployment of U.S. forces from Europe and the Far East at the present time would seriously undermine the strength of the coalition. While partial redeployment might improve the United States and Allied military posture, only further study can determine our most effective deployment. Side "B" maintained that, because the United States and Allied military posture is weakened by the present over-extended deployment of U.S. forces, an early determination should be made whether, with the understanding of our Allies, the redeployment toward the United States of the bulk of our land and other forces should soon be initiated and carried during the next few years.

As Mr. Cutler called on Admiral Radford for his views on this issue, the President observed that the critical phrase in this statement was the phrase "with the understanding of our Allies."

Before Admiral Radford could make his statement, Secretary Wilson pointed out that the Joint Chiefs of Staff had reached an agreed position on this issue and that it was set forth on page 8 of their written memorandum in the language which, in substance, adopted the position of Side "B" as contained in the righthand text of paragraph 37-a-b and c of NSC 162. Admiral Radford confirmed Secretary Wilson's remark by stating that the Joint Chiefs were prepared to accept Side "B's" language for paragraph 37-a with only two changes. He wished to strike out the phrase "reasonably soon" in subparagraph c.

Secretary Dulles said that on the basis of his "embryonic military knowledge" the position taken by the Joint Chiefs of Staff seemed sound. He felt obliged to say, however, that unless this redeployment were handled with the greatest delicacy and under the cover of another and larger operation, the redeployment could bring about the complete collapse of our coalition in Europe. He repeated that the redeployment simply could not be done as a separate and distinct move. He hoped and believed that it could be done, however, as part of an "over-all operation" in Europe in which the redeployment would stand out as a constructive and not a destructive step. In concluding his remarks, Secretary Dulles indicated that this whole matter was so delicate that he was fearful of even having it set forth as it was in paragraph 37–c for fear that the report might leak out with terrible repercussions abroad.

The President commented philosophically that we seemed to be hoist on our own petard. On the one hand we wanted our policy set forth clearly in the present report. On the other we couldn't afford to let such matters get into the hands of the columnists. On the whole, continued the President, he thought paragraph 37 constituted a good statement of military policy. On the other hand it was vitally important that no inkling of the proposed redeployment should be made public until our Allies had also been brought to realize that such a redeployment was really good military policy. The President went on to point out that properly speaking the stationing of U.S. divisions in Europe had been at the outset an emergency measure not intended to last indefinitely. Unhappily, however, the European nations have been slow in building up their own military forces and had now come to expect our forces to remain in Europe indefinitely.

The discussion then centered on the fact that while everybody agreed with the sense of paragraph c, for reasons of prudence and to avoid a leak, it was thought best to omit subparagraph c. Secretary Dulles also said that he felt that subparagraph b on the left-hand or Side "A" column of page 25 should be left in since this called attention to the fact that under present conditions a major withdrawal of U.S. forces from Europe could be very dangerous to the coalition.

Secretary Humphrey said that this position of the Secretary of State really went to the heart of the question and to the reality of our basic intention. Secretary Humphrey contended that the present overextended deployment of our forces represented a situation which we did not wish to perpetuate. Instead, we wished to redeploy these forces and if we had to fight, to fight a new and not an old type of war. This particular issue, said Secretary Humphrey, was the guts of our whole military program. The President cautioned Secretary Humphrey by pointing out that the caveman's rock could kill his enemy if the enemy had no defense against it. Going on, the President observed that if the Communists succeeded in gaining control of Europe the world balance of power would be hopelessly upset against us. It would be necessary to spend many more billions than we are now spending to redress this balance of power. In short, said the President, that Western Europe not fall to the Communists was a *sine qua non*. Therefore, anxious as he was to see European nations do more to provide for the common defense, we simply could not abandon what we had begun in Europe. On the contrary, what we must do is to improve the morale of Western Europe. Bringing back our divisions in any abrupt way would not improve European morale but completely destroy it. Speaking with great emphasis, the President pointed out that the United States divisions in Europe had done marvels in restoring Europe's faith in itself. He asked Admiral Radford to comment on the points he had made.

Admiral Radford replied that the Joint Chiefs were certainly in agreement on the vital importance of Western Europe. On the other hand, the Joint Chiefs in considering NSC 162 had thought of the report as a guidance for a limited period of time. Obviously they thought that some of the issues raised in NSC 162 were not short-term but could be resolved only over a long period of time. That was true, said Admiral Radford, for instance, of the issues with regard to the economy and the Chiefs contended that the threat to the health of the U.S. economy was part and parcel of the Soviet threat. Nevertheless, he failed to see how anyone could say at the present time that we are going to continue to do what we have been doing to meet the Soviet threat over an indefinite future. It may be essential to find some other solution to meet the threat.

The President admitted the relevance of Admiral Radford's comment on the time issue but pointed out that even as you dealt with day-to-day problems you needed some kind of a philosophy as a general guide to action. Certainly, said the President, we cannot continue deficit financing indefinitely and, accordingly, we could not eliminate mention of the serious threat to our economy.

Secretary Wilson expressed a belief that the argument in the Council on the present report had been from the outset confused over long-term versus short-term measures. The President said that was quite possible but that the objective in the short-term was to get the United States into the posture of defense which it desired to maintain over a long term.

After further discussion the Council agreed to Mr. Cutler's solution to the redeployment issue by accepting paragraph 37–a on the righthand of page 25, followed by 37–b on the lefthand, and followed by a new 37–c which consisted of the old 37–b on the righthand side as revised. It was also agreed to leave out the old 37–c for security reasons though it was to be understood that the National Security Council was sympathetic to the contents of the omitted paragraph c calling for redeployment over the next few years of U.S. forces under certain limitations.

The Council then moved on to consider the seventh issue dealing with the reduction of the Soviet threat. Mr. Cutler pointed out that on this issue there was a measure of agreement on both sides. Both agreed that short of general war acceptable negotiated settlements with the USSR are the only means of substantially reducing the Soviet threat. (Side "B" believes that the possibility of such settlements is more remote.) Beyond this point differences occur, said General Cutler. Side "A" believed that the best way to induce the Soviets to accept such settlements is for the United States to forego pressures at least against the USSR itself; to attempt to reduce tensions on secondary issues; and to try to convince the Soviet leaders that, if they renounce aggression and domination of other peoples, the United States has no intention of interfering with the internal organization or the territorial integrity of the USSR.

On the other hand, Side "B" believed that the best way of bringing the Soviets to agree to such settlements is to maintain pressures against the USSR which do not involve grave risk of general war. Settlements which reduce tensions without a concurrent reduction of the Soviet threat could lead the free world dangerously to relax its defense.

The President immediately inquired whether, under the policy advocated by side "A", ... Mr. C.D. Jackson contended that if Side "A's" view had prevailed we could not have gone through with the food program in East Germany. Mr. Dodge said that the view of Side "A" suggested to him continuous concessions to the USSR which the record of the past had shown to be very unsuccessful.

The President pointed out that he did not mean to be too critical of any honest position. If there was anyone willing to speak to paragraph 41 according to the version of side "A", he would be very pleased to listen.

Secretary Dulles turned around to Mr. Bowie and asked him if the Side "A" version of paragraph 41 was the position taken by the Department of State. Mr. Bowie answered in the affirmative, and the President commented, with a smile, that this was not the way that the Secretary of State usually talked to him about this problem.

Secretary Dulles then pointed out that it might be possible to reach general agreements with the Soviets, for example, on reduction of armaments, but that we were certainly not in a position to impose such settlements on them. Such settlements would have to be mutually acceptable. If we are prepared to grant a *quid pro quo* we are in a position to settle Korea and possibly even East Germany. Of course, said Secretary Dulles, his interpretation of this issue by no means excluded unilateral efforts by the United States to increase its relative power position vis-à-vis the USSR. Nor did his view exclude efforts, together with our allies, to push our power position forward against the USSR.

Mr. Cutler pointed out the relevance of this issue to the bracketed phrase in paragraph 43–a, where one side said that "measures to impose pressures on the Soviet bloc should be designed primarily to create conditions which would induce the Soviet leadership to be more receptive to acceptable negotiated settlements", whereas the other side wanted to say "should take into account the desirability of creating" such conditions.

The Director of Central Intelligence, Secretary Wilson, the Joint Chiefs, and Mr. Stassen, all expressed the view that the bracketed subparagraph 43–c on page 31, which stated that the U.S. should not initiate aggressive actions involving force against Soviet bloc territory, should be omitted.

The President said that he personally would prefer to see this paragraph removed, pointing out that any proposal involving the use of force against such territory, whether overt or covert, would require a prior Council decision.

After further discussion of the content of paragraph 41, the President suggested that the Council take the first sentence of paragraph 41 on the left-hand side of the page, and then go on and add the subparagraphs as revised.

Secretary Dulles warned again that in his view we could not reduce tensions with the USSR if in each case we expected to gain all the advantage and the Soviets none. Such settlements, he repeated, must be mutually acceptable, and what was being proposed appeared to be reversing this Administration's whole policy—a fact that was all the more dangerous in view of Soviet possession of the H-bomb.

Secretary Humphrey asked whether the suggestion the President had just made did not meet Secretary Dulles' point. But Secretary Dulles continued to insist that if you subordinate the achievement of mutually acceptable settlements to improving the power position of the United States as against the USSR, you will eliminate all hope of settlements in Korea, Austria, Germany, etc.

After further discussion, satisfactory revisions were agreed upon in the wording of paragraph 41, and it was also agreed to strike paragraph 43–c.

Mr. Cutler then introduced the next major issue, namely, the character of measures to impose pressures on the Soviets. He pointed out that Side "A" believed that measures to impose pressures on the Soviet bloc should be designed primarily to create conditions which would induce the Soviets to be more receptive to acceptable negotiated settlements. Side "B", on the other hand believed that measures to impose such pressures should take into account the desirability of creating such conditions, but should not be confined thereto.

The President at once stated his preference for the view expressed by Side "B" on this issue, and there was no further discussion on it.

Mr. Cutler then stated that this concluded the major areas of disagreement on NSC 162. There were, however, other points which needed to be decided, and he wished the Council would agree to taking them up seriatim.

Turning to page 8 of the report, Mr. Cutler said that there had been a difference in emphasis as to the degree that the United States should, in the interests of its leadership, meet the desires of its allies. After a brief discussion the Council agreed to strike the bracketed portion of subparagraph c page 8.

The next point, said Mr. Cutler, was paragraph 3–a, on page 3, in which the issue was whether the USSR now has the capability to attack the U.S. with atomic weapons, or whether the USSR shortly will have this capability.

The President observed that Council action on this point involved the confidence which the intelligence community in this Government had in the reliability of its information. In short, this was a question of fact.

Responding to the President, Mr. Allen Dulles stated the belief of the intelligence community that the Russians could launch an atomic attack on the United States tomorrow if they were willing to throw into this attack everything they had and take the attendant risk. He did suggest, however, the removal of the adverb "very" in front of "serious damage".

The President and Admiral Strauss argued for the removal of the phrase "shortly will have". Secretary Wilson thought that the phrase should remain in. The President thought that this issue was getting down to a quibble, and the Council agreed to remove the phrase in question.

In the related statement of the problem in paragraph 31–a, page 19, the Council agreed to leave the bracketed phrase, "and possibly crippling", in the text.

The next point, said Mr. Cutler, concerned the statement of the manpower problem as set forth on page 17. This statement, said Mr. Cutler, had the approval of Assistant Secretary of Defense

Hannah,[6] but Mr. Flemming had raised the questions as to its validity.

Mr. Flemming then commented that he thought the existing statement too pessimistic and defeatist in tone. He pointed out that by Council directive the ODM was making a new study of the whole manpower situation and would report to the Council on it about December 1. While he did not wish to prejudge the findings of this new study, he had prepared a revision of the manpower statement in NSC 162 which he wished at this time to pass around to the members of the Council and to comment thereon.

Mr. Cutler then asked Admiral Radford to comment on the revision proposed by Mr. Flemming.

Admiral Radford felt, he said, that while the present paragraph might be somewhat too pessimistic, Mr. Flemming's substitute went to the opposite extreme of being too optimistic.

Secretary Humphrey added that he felt that Mr. Flemming's statement dodged the clear issue of the need or likelihood of controls over manpower.

Secretary Wilson stated that the situation in the Services was pretty tight right now with regard to the right kind of people.

Mr. Flemming said that he by no means denied that there were very tough manpower problems facing us, but he did wish to emphasize that they were not insurmountable. He therefore suggested that his language be taken as an interim statement and that the Council take a new look at page 17 after the receipt of ODM's full report on manpower.

After further discussion it was agreed to omit any statement on manpower at this time, and to refer the problem to the Director of Defense Mobilization and the Secretary of Defense, with the assistance of the Joint Chiefs of Staff.

The next point, said Mr. Cutler, related to our policy with regard to the use of special weapons as set forth in paragraph 38-b, with particular respect to securing the understanding and approval of the use of special weapons by our allies.

The President suggested that securing this approval and understanding of our allies should precede the use of these special weapons, which was not the case in the present text of paragraph 38-b.

Mr. Cutler, however, pointed out that in their written comments the Joint Chiefs had been even firmer in their insistence on the use of these weapons.

The President commented that however that might be, nothing would so upset the whole world as an announcement at this time by the United States of a decision to use these weapons.

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[6] John A. Hannah, Assistant Secretary of Defense for Manpower and Personnel.

Secretary Wilson said he saw the President's point, but that nevertheless the Defense Department must know whether or not to plan for the use of these weapons. Do we intend to use weapons on which we are spending such great sums, or do we not?

The President replied that after all, he had to make the ultimate decision as to the use of these weapons, and if the use of them was dictated by the interests of U.S. security, he would certainly decide to use them.

Admiral Radford said that he was nevertheless still very worried about this problem. Can we, he inquired, use these weapons from bases where the permission of no foreign government is required? Admiral Radford thought it vital that we should be able to make this decision.

The President reiterated his belief that we should issue no statements on this point until we have given our Government officials a chance to convince our friends as to the desirability of using these weapons. So far, however, as war plans were concerned, continued the President, he thought that the JCS should count on making use of special weapons in the event of general war. They should not, however, plan to make use of these weapons in minor affairs.

Secretary Dulles repeated his often-expressed view that somehow or other we must manage to remove the taboo from the use of these weapons.

Mr. Cutler then suggested a revision of paragraph 38–b which the President said seemed suitable to him. The President pointed out that there were certain places where you would not be able to use these weapons because if you did it would look as though the U.S. were initiating global war. If, however, we actually got into a global war, we would certainly use the weapons. The President then said for a second time that he was anxious to find out just what were the views of our allies with respect to the use of these weapons. Would the Departments of State and Defense undertake to advise him on this question?

Secretary Dulles indicated that he would comply with the President's desire, but pointed out that in making inquiries of our allies we must be careful to avoid framing our inquiries in such language as would invite refusals or further limitations on the use of these weapons.

To this the President replied that of course he expected these inquiries to be handled with finesse. We needed, however, to be able to hit the Soviets, if necessary, from any point on the compass

General Ridgway then stated that Prime Minister Churchill and Chancellor Adenauer [7] had recently told him in great confidence that they would approve the use of the bases from which these weapons would be launched in their territories in the event of war. [8] The French position, however, had not yet been clarified.

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[7] Konrad Adenauer, Chancellor of the Federal Republic of Germany.

The President then remarked that it was very undesirable to knock the coalition over the head by precipitate action on this issue.

The National Security Council: [9]

a. Noted the comments of the Joint Chiefs of Staff on NSC 162, as distributed at the meeting.

b. Discussed the statement of policy in NSC 162, with particular reference to the divergent views contained therein; and agreed upon amendments thereto, including the resolution of the divergent views.

c. Referred NSC 162 to the NSC Planning Board to prepare for Council consideration a revised statement of basic national security policy, incorporating the agreed amendments to NSC 162, which with the addition of appropriate courses of action would supersede NSC 153/1.

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S. EVERETT GLEASON

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[8] Documentation on discussions with the United Kingdom and Canada concerning the possible provision of overseas bases for use in the event of war, is scheduled for publication in volume VI.

[9] Paragraphs a–c constitute NSC Action No. 926. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 166th Meeting of the National Security Council, Tuesday, October 13, 1953 [1]

[Extract]

TOP SECRET EYES ONLY

Present at the 166th meeting of the Council were: The President of the United States, presiding; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General (for Item 3); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Item 3); the Secretaries of the Navy and the Air Force (for Item 3); the Deputy Secretary of Defense, Assistant Secretary of Defense McNeil, and Francis J. McCarthy, of the Atomic Energy Commission (for Item 3); the Chairman, Joint Chiefs of Staff; General Ridgway, Admiral Carney, General Twining, and Lt. Gen.

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[1] Drafted by Deputy Executive Secretary Gleason on Oct. 14.

Thomas, USMC (for Item 3); the Director of Central Intelligence; the Assistant to the President (for Item 3); the Deputy Assistant to the President; Robert Cutler, Special Assistant to the President; James C. Hagerty, Secretary to the President (for Item 3); Brig. Gen. Paul T. Carroll, Acting White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the chief points taken.

1. *Concept of the National Security Council and its Advisory and Subordinate Groups*

The President announced at the opening of the Council meeting that he wished to go over with the members of the Council his own conception of the National Security Council. Two conceptions of the functions of this body, he said, were prevalent. One is that each member represents his department or agency and is present primarily to defend the position of that department or agency. The other conception is that while you members have the staff support of your agency, you come to this table as an individual in your own right, not merely to represent a department. Your background helps us all to reach a corporate decision and not merely a compromise of varying departmental positions. What we are seeking is the best solution of our problems by the corporate mind represented here.

This second conception, said the President, must apply if the National Security Council is really going to work. This concept applies also to advisory and supporting bodies such as the NSC Planning Board and the Joint Chiefs of Staff. To my mind, said the President, there are in each of the three military services at least six individuals who would be competent to direct that service as a chief of staff. But the job of the Joint Chiefs of Staffs is both distinct and much more difficult. It is the task of the Joint Chiefs not merely to support the three services, but to bring their consolidated wisdom and their corporate experience as statesmen to solve the problems of the national security. Hence, said the President, I hope that all who come here will give the best they've got. I am convinced that a great many meetings in Washington are nothing but meetings designed to achieve acceptable compromises. I don't want that view to prevail here. "We want your brains and hearts, with your background."

The National Security Council: [2]

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[2] The following paragraph constitutes NSC Action No. 928. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action") It was circulated by the Executive Secretary of the NSC, Lay, to the NSC by memorandum action on Oct. 15 "for the

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Noted a statement by the President of his conception of the NSC as being a corporate body composed of individuals advising the President in their own right, rather than as representatives of their respective departments and agencies. Their function should be to seek, with their background of experience, the most statesmanlike solution to the problems of national security, rather than to reach solutions which represent merely a compromise of departmental positions. The same concept is equally applicable to advisory and subordinate groups, such as the Joint Chiefs of Staff and the NSC Planning Board.

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3. FY 1955 Budget Considerations (NSC 161, No. 11)[3]

After Mr. Cutler had explained the purpose of scheduling this item, the President said he wished to read to the Council a statement which might be issued by Mr. Hagerty, with the objective of forestalling premature and misleading publicity regarding the decisions to be taken on this subject at today's Council meeting. After he had read the statement the President inquired whether those present believed that its issuance would be useful, and if they had any objections to the statement.

Secretary Dulles inquired whether the statement would be issued in a formal way, and when the President said that it would, Secretary Dulles inquired whether this would create an undesirable precedent with respect to advance statements on future Council meetings. Perhaps the statement could be issued more informally by word of mouth from Mr. Hagerty to the press.

Secretary Wilson and Mr. Flemming remarked that they thought the statement perhaps too defensive in tone. The President said that there was something in this criticism, and that was one reason he had brought it up. Mr. Dodge said, however, that he thought the statement would prove useful, and Secretary Wilson said that the position to take in the statement was that we were all working very hard on a very difficult problem.

Mr. Cutler pointed out that he and Mr. Jackson had worked on this statement most of Saturday, and both had decided that it would be much better for the President to act to forestall false statements and gossip about splits in the Administration, in advance.

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information and guidance of the Council and its advisory and subordinate groups." Copies were also sent to the Secretary of the Treasury; the Attorney General; the Directors of the Bureau of the Budget, the United States Information Agency, and Central Intelligence; the Chairman of the Atomic Energy Commission; the Federal Civil Defense Administrator; the Operations Coordinating Board; the Interdepartmental Intelligence Conference; and the Interdepartmental Committee on Internal Security.

[3] Regarding NSC 161, see the editorial note, p. 443.

Secretary Humphrey expressed the view that a statement should certainly be issued, but that it should be divorced from any relationship to the NSC meeting. Above all, said Secretary Humphrey, we must not let ourselves be put into a position where any subsequent revision of the budget figures which we are now considering would be interpreted by the press and the public as involving a blow to the national security.

Secretary Wilson commented that this problem did not greatly concern him; there would be criticism in any case, and the Council would have to take it. The thing to do, therefore, was to decide on the best figure and stand firm against the criticism. Preliminary figures, he added, were always too high.

The President pointed out that no one was arguing yet about figures, but that we were really concerned about the effect on the public of issuing such a statement as this.

Mr. Cutler said that the most important sentence in the statement was that which referred to the preliminary character of the NSC consideration, since the Press was already stating that the National Security Council was going to decide the whole matter at today's meeting. After some slight revision of the statement, the President handed it to Mr. Hagerty.

Mr. Cutler then called on Mr. Dodge for his oral presentation.

Before doing so, Mr. Dodge said that he desired to remind everyone present of a poll that had been taken in the month of July on the issues of greatest concern to the American public. These had proved, in order of importance, to be as follows: (1) Korea; (2) tax reduction; (3) economy in government; and (4) a balanced budget.

After this introduction, and with the use of what he described as an "economy-sized" chart, Mr. Dodge made his presentation (copy of statement in Minutes of 166th meeting).[4]

Mr. Dodge's conclusions were that, with prospective tax adjustments and on the most optimistic basis for estimating revenues for Fiscal 1955, the Administration faced a cash deficit of $5.4 billion and a budgetary deficit of $8.7 billion for FY 1955.

After a preliminary discussion of Mr. Dodge's figures, the President digressed to discuss briefly the differing attitudes toward the reduction in force of Government personnel. He had had a recent call from a Congressman whose nearby district included a large number of Government workers. This Congressman had expressed great distress over the number of workers who had thus been discharged, and particularly over the manner in which they had been discharged. On the other hand, two members of Congress from more remote areas had reported to him that the marked cut in the number of Federal workers was extremely popular in their part of the country. It goes to show, said the President, how different the verdict is when one got away from Washington. Personally, however, the President expressed his concern over mass dismissals of loyal and competent Government workers of the career sort. He felt that the non-career people should be discharged first.

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[4] For information on the minutes of NSC meetings, see footnote 1, p. 394.

Mr. Dodge suggested that the most painless way to meet this problem was by the method of attrition—not replacing workers who left the Government. Mr. Dodge continued that there was rather too much of a furor over the fate of the so-called career employees. Actually some of the new appointees were of much higher quality.

The President said he could not deny Mr. Dodge's assertion, but he felt it was a great pity that decent individuals who had passed creditable Civil Service examinations and were in the midst of a career, should suddenly find themselves tossed out. To his way of thinking, said the President, this was definitely not in keeping with the best concept of the Civil Service.

Secretary Wilson pointed out that for many of these people the jobs they held were the best that they could get at the time. He furthermore saw no real difference between the treatment meted out to Civil Service employees and to the employees of private industry. In both cases it was necessary to maintain standards.

The President, however, insisted that he wished justice to be done, and while he did not advocate keeping incompetent career workers, he wanted justice to be done to the competent ones.

Mr. Cutler then called on the Chairman of the Atomic Energy Commission to give the AEC's program for FY 1955 (copy of the statement filed in the Minutes of the 166th meeting).

Admiral Strauss pointed out that this program was now largely geared to filling military requirements. All non-essentials have been cut back. Total expenditures would peak in FY 1955 at a figure of $2.5 billion. Unless military requirements increased sharply, no extensive expansion of AEC facilities was contemplated after FY 1955. Emphasis would be on improvements in existing plant capacity.

At the conclusion of Admiral Strauss' presentation, Mr. Dodge said that if one assumed that existing and planned production capacity was necessary, the fundamental question was whether it was necessary to use all this capacity at its maximum.

Admiral Strauss replied that he doubted if significant savings could be made along this line. It was essential to complete the required plant, and it did not seem sensible to him to leave part of it idle prior to the time that we reached the stated weapons requirements.

The President inquired what the AEC planned to do with this enormous and costly plant when weapons requirements had finally been reached. Admiral Strauss replied that presumably AEC would have to shut it down unless you plan to use some part of it for production of nuclear power.

The President responded that this certainly raised a serious question.

Secretary Humphrey inquired, if the plant were shut down would it deteriorate?

Admiral Strauss replied that of course on this point he had no criteria by which to judge, but very little of the plant seemed, offhand, to be subject to depreciation. But what really dictated the size and the rate of expenditures in prior years had, of course, been the availability of raw materials. He also pointed out that the requirements of the Joint Chiefs of Staff for weapons had risen steadily since he had been connected with the AEC. The existing stockpile of weapons was many times larger than the requirements set forth by the Joint Chiefs in 1947.

Secretary Wilson expressed the view that whether you ran the AEC plant or not the material doesn't depreciate. Certainly there were vast new possibilities in the world for this material, and it was just as useful to close down such a plant and maintain it on a stand-by basis as it was to procure gold from a gold mine and store it in Ft. Knox.

Admiral Strauss pointed out one other relevant factor in the increase in weapons requirements. This was the proliferation of types of weapons. The original A-bomb had now been developed into a multipurpose weapon.

Secretary Dulles reminded Admiral Strauss that in the course of his presentation he had referred to the fact that he was "starving research", a statement which greatly disturbed Secretary Dulles.

Admiral Strauss said that he had used this phrase in order to avoid undergoing further cuts in this important field. In point of fact, he meant, in starving research, that he had held the funds devoted to research to the previous figure despite much enlarged facilities and some very promising developments in certain research areas which might produce significant technological breakthroughs.

Secretary Dulles replied that from the standpoint of the prestige of the United States perhaps our greatest single asset was ability to keep ahead of the Soviet Union in the scientific and technological field. If we were to lose this advantage, it would be a grave blow to the security and to the leadership of the United States. He would much prefer, continued Secretary Dulles, to see research and development pushed to the limit, as against adding to an already large stockpile of weapons.

On the other hand, Secretary Wilson was of the opinion that we had about all the good scientists who were available at work on these various AEC and Defense projects. He doubted whether the expenditure of more money would produce a significantly larger number of good scientists.

On these issues Admiral Strauss said he may have given a false impression with the phrase "starving research". He did not mean that he was proposing to fire scientists or to fail to do the things in this field which we ought to do. He did propose, however, to cut down on equipment.

Secretary Humphrey expressed the view that whether in private industry or in the Government, there was no way that you could spend money faster than on research, and unless this research was very carefully scrutinized, the results were often not worth the expenditure.

The President inquired as to the relative costs of research and of development in this field, and Mr. Cutler replied that $150 million was allotted to basic research in FY 1953.

Secretary Wilson pointed out, in answer to the President's query, that research and development involved, first, basic research, then applied research, whereas development pertained to the construction of devices of which it was uncertain whether or not they would actually work until tested. That, said Secretary Wilson, was the definition of research and development.

Turning to Mr. Allen Dulles, Secretary Dulles asked whether Intelligence could give us any idea of what the Soviets were spending in this field.

Mr. Allen Dulles replied that this was not an easy question to answer, but that Intelligence estimated that the curve of the Soviet figure would cross ours in about two years' time. At the very least, we knew that a terrific effort was being made by the USSR in this field.

The President commented that it seemed inexplicable to him that with their comparatively few institutions the Soviets were able to turn out such large numbers of scientists and technicians, while we were scarcely able to increase our own output.

Mr. Allen Dulles pointed out that in a totalitarian state it was always possible to compel people to become scientists if they had aptitude.

Mr. Dodge pointed out that furthermore in the Soviet Union scientific research experienced no competition from private enterprise. The President still seemed unconvinced by these explanations.

Secretary Dulles then asked Mr. Allen Dulles whether the latter had not reported at an earlier Council meeting that there are now actually more scientific students in the USSR than in the United States. Mr. Allen Dulles replied that he had not said that this situation existed now, but it soon would, and the President reiterated his incomprehension of how the Soviets could accomplish such things while we insist that we cannot.

Mr. Cutler then called on Governor Stassen to give his presentation of the mutual security program.

Before speaking, Governor Stassen passed out memoranda of his oral remarks (copy filed in the Minutes of the 166th meeting).

After a discussion of Governor Stassen's figures, particularly by Mr. Dodge and Secretary Humphrey, the President inquired whether deliveries of matériel to NATO would now be stepped up since hostilies in Korea had been concluded. Governor Stassen answered that of course it was possible to do this, but it would depend now chiefly on the ability of these countries to absorb and use this additional matériel.

The President then asked General Ridgway to give him a memorandum on the ammunition situation in the NATO countries. When he was last there, said the President, the ammunition supply was very precarious and constituted one of the weak points in our armor.

Governor Stassen said he had the figures available, and would get them to the President at once. The President said that according to his recollection we figured on ninety days' supply of ammunition for our forces. The figure was much less for the NATO countries.

Mr. Cutler then called on the Secretary of Defense for his oral presentation of the Defense Department program.

Secretary Wilson pointed out that the biggest proportion of expenditure for the national security fell in the Department of Defense. He therefore wanted to go back and review the problem as it had developed since last spring. At that time, he pointed out, the Council had laid great emphasis on the formulation of a new strategic concept. To illustrate this point Secretary Wilson then read the memorandum sent to him by the President in July, requesting the new Joint Chiefs to report, independently of their staffs, as to the possibility of a new concept and real savings in military expenditure. Secretary Wilson then referred to the reply which the Joint Chiefs had made to the President's request, which they had sent to him on August 8, [5] and read the conclusions and recommendations of this report.

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[5] Not found.

Thereafter, said Secretary Wilson, on September 16 he had written a memorandum to the Joint Chiefs of Staff as to their part in the preparation of the FY 1955 Defense budget.[6] This memorandum, which Secretary Wilson read, called for preliminary returns from the Joint Chiefs of Staff to assist in the preparation of the detailed budget of the Department of Defense. On October 2, continued Secretary Wilson, the Joint Chiefs had presented their response to his own memorandum of September 16.[6] They had presented the force levels for the major combat forces. They had not had time, however, to pass judgement on the composition of the support forces. Furthermore, they had also pointed out that in view of the fact that there had been no significant change in basic national security policy, no change in the seriousness of the Soviet threat, and no clear decision on the use of atomic weapons, they had not felt it possible to make significant changes in the level of the combat forces.

The President interrupted to inquire whether it was felt necessary to state the final Air Force goal now (137 wings) in order to plan for FY 1956 and 1957.

Secretary Wilson then said his next item was his own letter to Assistant Secretary McNeil, summarizing the findings of the Joint Chiefs' report to him. For planning purposes, said Secretary Wilson, he had approved using the force levels with regard to the supporting elements, the Reserve, and the National Guard units, as set forth by the individual military services, despite the fact that the Joint Chiefs of Staff had not approved these levels for the support forces.

With this introduction, said Secretary Wilson, he would now call upon Assistant Secretary McNeil to comment on the preliminary cost estimates for the Defense Department budget.

Mr. McNeil again emphasized that his figures constituted only a rough order of magnitude, since the JCS had approved only the levels for the major combat forces but not the support elements, which constituted approximately half the total cost of the armed forces. Despite this, he had attempted to price out the cost of the total forces to be maintained in the Defense Department budget.

After indicating the major assumptions on which he had done his costing, Mr. McNeil came up with a total cost of approximately $43 billion for FY 1955. Since, he added, there would be some overlap between the FOA and the Defense military assistance figures, say approximately $1 billion, this amount could be deducted from the total figure.

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[6] Not found.

Mr. Dodge complained that the Defense estimates had not taken into consideration savings which might be realized from the termination of the Korean war, but Secretary Wilson replied that the manner in which the war had terminated had not permitted as great reductions as had been hoped for.

Secretary Humphrey said that when all was said and done, the Defense Department was going to spend $48 billion in the present fiscal year and $47 billion in the next fiscal year, with all the savings coming out of Governor Stassen. As far as the Defense Department itself was concerned, the figures presented by Mr. McNeil offered no cut at all.

Mr. Cutler pointed out again that Mr. McNeil's figure included unilateral service estimates on the size and cost of the support forces. Since they amounted to approximately half the total cost, the figure of approximately $43 billion had as of now no real validity.

Secretary Wilson took exception to Mr. Cutler's comment, and said that Mr. McNeil's report was better guidance than that. He again stated that the Joint Chiefs of Staff had strongly emphasized that there had been no change in United States commitments and no change with respect to our policy on the use of atomic weapons. The Council must therefore attempt to clarify promptly its views on the use of atomic weapons. The next thing was to try to see what could be done to initiate changes in the deployment of our forces overseas. Such changes could be forecast in the Defense Department's budget picture.

Secretary Wilson then read a memorandum which he had written on this point to the Joint Chiefs of Staff and to the Service Secretaries. This memorandum suggested a complete new survey designed to provide the United States with a defense posture which would give us reasonable security (1) without causing financial and economic unrest at home, (2) without raising fear abroad that we were proposing to unleash global war, and (3) without raising apprehensions among our allies that we were withdrawing from the arena. The memorandum instructed the Joint Chiefs to do this on the basis of the JCS report of August 8 and of NSC 162.[7]

Turning to Admiral Radford, the President inquired, can I sum up your position in this way: You believe that there should be a readjustment of U.S. military strength which would maximize our striking and retaliatory power, but you have encountered obstacles in trying to accomplish this readjustment. The State Department is worried about the effects of any large-scale redeployment. Accordingly, you feel that you must take a more cautious approach to a major redeployment program. If, continued the President, this is an accurate summary of your position, I think you should do the following things. First, take another hard look at the major combat forces, with particular respect to the time factor. If we could take the same approach to military production that we do to public works, roads, schools, etc., it would be very helpful. In other words, you put the heat on this production when we face an economic depression and you take off the heat when the economy is going at full tilt.

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[7] Dated Sept. 30, p. 489.

Second, continued the President, and dealing with the military situation alone, the utmost that we can hope to achieve is, in Washington's words, a respectable posture of defense. We cannot hope for a perfect defense. Accordingly, can we not stretch out more? Do we need everything for our armed forces right now? The thing to do is constantly to bear in mind a defense posture related to the long pull.

Thirdly and finally, said the President, I am afraid that the Joint Chiefs of Staff are just going to have to work their heads off to produce estimates of the size of the support forces. You are not going to get away, as my military advisers, with confining your recommendations to major combat forces only, and you should look hard as to the possibility of cuts in these support forces. Let's not calculate, when we are trying to think of our defense over the long term, that we need to maintain everything—all the ships at sea—at a hundred percent of their complements. What I'd like to see is a complete and thorough re-examination by the Joint Chiefs of Staff of this whole problem, in which they would really take a corporate view, and see how far they could get. After all, said the President, we must depend on you people to provide us with your estimate of what can be done on a truly austere basis all the way down the line. Can we put off this or that desirable expenditure for a year, or two years, or longer?

Admiral Radford replied to the President by pointing out that they were now talking about an interim budget pending a more detailed review later on. He said that the Joint Chiefs were confident that considerable reductions could be made in the military services' estimates of the size and cost of the support elements. It had not been possible to review these levels and costs because it had been necessary to meet today's deadline. Accordingly, the Joint Chiefs had had to carry on along the lines of budgeting programs which had gone into effect last spring.

The President commented that what disturbed him most in this exposition was the estimate of an increase in the total force level for the armed services up to 3.5 million. Not only was this an increase over present levels, said the President, but we ought rather to be trying to reduce present levels to 3 million. The President emphasized that he did not wish to see this cut made in combat units but everywhere else in the military establishment, once again on the basis of a respectable as opposed to a perfect posture of defense.

When the President had concluded, Secretary Dulles asked Admiral Radford whether the Joint Chiefs of Staff estimates of force levels reflected recent Council discussions with respect to the availability and use of new weapons.

Admiral Radford replied that they did not, and the President pointed out that such weapons could certainly be used by the United States if it were attacked. Otherwise it was necessary to get the understanding and approval of our allies for the use of these weapons.

Mr. Cutler then read to the Council the statement with regard to the use of atomic weapons set forth in NSC 162 as revised, and the President expressed approval of this language.

Secretary Dulles again turned to Admiral Radford and explained what he had meant by his first question. The President, said Secretary Dulles, had made it clear in his memorandum to Secretary Wilson last July[8] that he wanted the new Joint Chiefs of Staff to conduct a basic review of U.S. military strategy. Had such a review been made, inquired Secretary Dulles, and was it or was it not reflected in the present recommendations of the Joint Chiefs of Staff?

To this question Admiral Radford replied that the Joint Chiefs of Staff did not feel that they had been given sufficiently clear definitions of policy to enable them in consequence to outline a really significant change in the existing composition of our military forces.

Secretary Wilson said that there were at least two basic questions which the Council must answer before the Joint Chiefs of Staff could come up with a "new look" at our military strategy. First, to what degree do we start to change our basic national security policy? Secondly, to what degree can we shift emphasis from conventional to atomic weapons? If no answers are provided to these questions, and if we can't as a result considerably reduce our levels of military personnel, Secretary Wilson predicted it would be very tough to make any real progress toward achieving lower defense costs. It was going to be very hard to get down from a level of 3.5 million to 3 million men and still maintain reasonable security for our country. Nevertheless, we would try.

Mr. Cutler then informed the Council that Admiral Radford had just advised him that the statement in NSC 162 on the use of atomic weapons was regarded by the Joint Chiefs as insufficient guidance to enable them to effect any real change.

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[8] Not found.

The President replied that he disagreed with the Joint Chiefs, and stated again that the only war that the United States was really scared of was a war initiated by the enemy against us. In this contingency we could always use atomic weapons from our own bases, but there was question about their use from bases in foreign countries.

Turning to the President, Admiral Radford immediately asked whether the Joint Chiefs could plan on the use of atomic weapons in Korea in case of a resumption of hostilities. He insisted that the language in NSC 162 did not give a clear answer to this question.

Secretary Dulles pointed out to Admiral Radford that, after all, we are the UN Command in Korea, and of course we could use these weapons if military considerations dictated their use. Though, he added, it would be useful if he could have a little time to prepare our sixteen allies in the Korean war for the use of these weapons.

The President raised the question whether the use of atomic weapons in this contingency in Korea would cause a dangerous breach in allied solidarity. He believed, he added, that we should use the bomb in Korea if the aggression is renewed, but he would like a check on any agreements into which we might have entered with our allies respecting the use of these weapons.

Secretary Dulles said that his people ought to get together with Admiral Radford and carefully define the areas in which you could count on being able to use atomic weapons, and thereafter calculate the resultant cut in defense costs. He remarked that he was going to be in London this next week and would be having conversations with Mr. Eden and Prime Minister Churchill. Wouldn't it, he inquired, be useful to try to get the decks cleared on this atomic matter during these conversations?

Admiral Radford said that he would be glad to supply the Secretary of State with a memorandum on this subject from the Joint Chiefs of Staff.[9]

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[9] This proposed memorandum cannot be identified with certainty. However, both the Joint Chiefs of Staff and the National Security Council were engaged at this time in reviewing NSC 151, "Armaments and American Policy", of May 8, 1953, and this review culminated in NSC 151/1 of Nov. 23, 1953 entitled "Disclosure of Atomic Information to Allied Countries". NSC 151/2 of Dec. 4, carrying the same title as NSC 151/2, became the official statement of policy on this subject. For text of NSC 151 and NSC 151/2, see pp. 1149 and 1256. Further documentation on the NSC 151 Series may be found in S/S-NSC files, lot 63 D 351, NSC 151 Series and in S/P-NSC files, lot 62 D 1, NSC 151.

Mr. Cutler suggested that Admiral Radford also provide a clear text for the statement on atomic weapons presently contained in NSC 162.

The President, however, said no, that we could not hope to do better than the presently agreed language on this point.

Secretary Humphrey said that he thought it absolutely essential to settle this issue of the use of atomic weapons. Only their use on a broad scale could really change the program of the Defense Department and cut the costs of the military budget.

Expressing agreement with the Secretary of the Treasury, Admiral Radford commented that unless we could use these weapons in a blanket way, no possibility existed of significantly changing the present composition of our armed forces.

With some heat, Secretary Humphrey pointed out to the Council that FY 1955 was *the* critical year. We are, of course, all dealing with imponderables, but we must preserve public confidence in the soundness of the economy and in the leadership of the President. If people begin to think that this Administration is conducting its business in the same old way as the last, the American economy will go to hell and the Republican Party will lose the next election. If Ike's budget for FY 1955 doesn't go to Congress with at least a cash balance, there will be terrific repercussions in the Congress and among the people. He thought, therefore, that this FY 1955 budget was the key to the whole situation.

Supporting Secretary Humphrey, Mr. Dodge pointed out that this figure of $43 billion for FY 1955 amounted to a reduction of only $2.5 billion from what President Truman had forecast for this year in his last budget.

In reply, Secretary Wilson pointed out that of course costs had increased because of inflation. Furthermore, it was vital and costly to improve continental defense. We also now knew that the Russians could make H-bombs. Whatever Secretary Humphrey thought, we have got to be able to tell the American people that we are doing something to confront the threat posed by these developments to their security.

Secretary Dulles, referring to Secretary Humphrey's plea for a balanced budget, pointed out with great emphasis that if you do proceed with a balanced budget in FY 1955, the cuts which would enable the achieving of the balance would all be made in the area of foreign assistance in Governor Stassen's province. This, said Secretary Dulles, would constitute the worst kind of false economy.

The President said that he agreed with this judgment of Secretary Dulles, and said that if he could be convinced that we need all this money he was prepared to fight for it everywhere and with all the energy he could summon up, although he said he did not want to scare the people to death and did want our military posture to be calculated on a long-term basis. We ought to realize, he said, that our military people could not possibly redeploy the forces that we are talking about in a single year. What we could do was to think and plan for such a redeployment, and meanwhile calculate everything else on the most austere basis possible.

Discussion then shifted to the desirability of the Defense Department producing firmer estimates with respect to force levels and costs at the meeting of the National Security Council scheduled for October 29. Secretary Wilson pointed out the difficulty of dealing with the levels and costs of the support forces in so short a time, while Mr. Cutler insisted that compliance with the October 29 date was almost essential if the budget was to be got ready in time for presentation to the Congress.

Secretary Wilson then stated that when we finally put the Defense Department budget in, we should be content with an over-all figure and not try to break this figure down until next spring, when we would be obliged to. He again insisted that the Defense Department was not ready yet to produce a detailed breakdown of its figure.

The President suggested that this matter be taken up by Secretary Wilson with Mr. Dodge. The latter observed that Secretary Wilson's proposed procedure might be OK if you had a lower total figure, but it would never do with a figure of $43 billion.

In view of Secretary Wilson's dilemma, the President asked him whether he could do part of the job by October 29 and present the Council with what would amount to another interim report of progress on October 29.

Secretary Humphrey asked why the Defense Department could not now begin to proceed on the assumption that they could make use of atomic weapons.

The President turned on Secretary Humphrey and said, let me ask you a question. Just how many troops do you think it possible for us to get out of Europe in 1955? The presence of our troops there is the greatest single morale factor in Europe. You cannot therefore make a radical change so quickly. Besides, the physical cost of bringing back these troops will be so high as to effect very little savings in the course of next year, even if considerable numbers were to be redeployed.

Secretary Wilson added that the Joint Chiefs of Staff estimated that it would take two years to effect a major redeployment of our forces overseas, that the operation would be very expensive, and that no savings could be contemplated until the men were actually at home.

The President said that Secretary Wilson was right, but that nevertheless the Joint Chiefs could start right now on computing force levels on a genuine austerity basis, pointing out that he did not want cuts in combat strength but rather in the support forces and other such personnel.

The National Security Council:[10]

a. Discussed the subject on the basis of oral presentations by:

(1) The Director, Bureau of the Budget, on the fiscal and budgetary outlook.

(2) The Chairman, Atomic Energy Commission, of preliminary budgetary estimates on the Atomic Energy Commission program for FY 1955.

(3) The Director, Foreign Operations Administration, of preliminary budgetary estimates on the mutual security program for FY 1955.

(4) The Secretary of Defense and Assistant Secretary of Defense McNeil, of preliminary budgetary estimates on the military program for FY 1955 based on the major combat forces proposed by the Joint Chiefs of Staff and supporting and reserve elements unilaterally proposed by the military staffs of the armed services.

b. Requested the Secretary of Defense, the Director, Foreign Operations Administration, and the Chairman, Atomic Energy Commission, to submit to the Council at its meeting on October 29, 1953, interim reports of estimated FY 1955 expenditures for their respective programs, to the extent that they have then been reviewed and coordinated within each agency in the light of the above discussion.

Note: The action in b above subsequently transmitted to the Secretary of Defense, the Director, Foreign Operations Administration, and the Chairman, Atomic Energy Commission, for implementation.

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S. EVERETT GLEASON

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[10] Paragraphs a–b constitute NSC Action No. 930. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

740.5/10–2153

Memorandum by the Secretary of State to the President

TOP SECRET [WASHINGTON,] October 21, 1953.

Subject: Withdrawal of U.S. Troops from Europe

On my return from the London Conference,[1] I found that there was a general impression among the press that plans were under way to withdraw some of our U.S. troops now in Europe. I was asked about this at my press conference last Tuesday.[2]

This matter is, of course, one of the greatest delicacy and I had understood, in accordance with NSC Decision of August 27, 1953,[3] that the handling of it was entrusted to me. In the exercise of this responsibility, I had come to the conclusion, with Admiral Radford, that nothing of this sort could be done at this time without great injury to NATO and the prospects of EDC, and that ultimate action along this line would be effective only after an educational campaign, and probably as part of some new general program for European defense.

This conclusion is in substance embodied in NSC 162-1, paragraph 38b, and was left, by subparagraph c, to "our diplomacy" to develop the matter further.[4]

The French at our urging have maintained and increased their forces in Indochina and are very fearful that the rearmament of Germany under EDC will leave them dominated by Germans unless the British and ourselves keep troops in Europe substantially as at present.

Even the idea that we are considering at this time a curtailment of these forces would be effectively used by the opponents of EDC to block it.

I strongly urge that the great delicacy of this matter should be realized and that no impression should be allowed to get about that we may be thinking of pulling troops out of Europe.

If any rumors to that effect come to the attention of any responsible officials, I hope they will be denied.

JOHN FOSTER DULLES

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[1] Regarding the tripartite Foreign Ministers meetings at London in October 1953, see the editorial note, vol. v, Part 2, p. 1709.

[2] Presumably Oct. 13.

[3] For the memorandum of discussion at the 160th meeting of the National Security Council, Aug. 27, see p. 443.

[4] NSC 162/1 is not printed; however, NSC 162/2 of Oct. 30, p. 577, contains the reference paragraphs and passages.

INR-NIE files

National Intelligence Estimate [1]

SECRET
NIE-99

WASHINGTON, October 23, 1953.

ESTIMATE OF THE WORLD SITUATION THROUGH 1955 [2]

SCOPE

This estimate is concerned with the major international trends which will affect the world situation through 1955 rather than with the specific events and conditions which will characterize that situation. The estimate must assume a continuation of present US policies and thus cannot consider the effects which a change in these policies would have on the world situation.

ESTIMATE

The Over-All Situation Through 1955

1. Despite the change in regime in the USSR and the shifts in Soviet foreign and domestic tactics, there has been no change in the USSR's basic hostility to all non-Soviet power. The USSR will continue its cold war against the Free World, largely through a vigorous political warfare campaign. While East-West negotiations are possible, there is little likelihood of any major Soviet concessions.

2. On the other hand, we believe that deliberate initiation of general war by the USSR is unlikely during this period,* and, to the extent that the USSR pursues a more cautious policy, the chance of war by miscalculation will also probably be less. However, there will be continuing danger that it may occur from a series of actions

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[1] National Intelligence Estimates (NIE's) were high-level interdepartmental reports presenting authoritative appraisals of vital foreign policy problems. NIE's were drafted by officers from those agencies represented on the Intelligence Advisory Committee (IAC), discussed and revised by interdepartmental working groups coordinated by the Office of National Estimates of the Central Intelligence Agency (CIA), approved by the IAC, and circulated under the aegis of the CIA to the President, appropriate officers of cabinet level, and the National Security Council. The Department of State provided all political and some economic sections of NIE's.

[2] According to a note on the cover sheet, "The following member organizations of the Intelligence Advisory Committee participated with the Central Intelligence Agency in the preparation of this estimate: The intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and the Joint Staff. The Intelligence Advisory Committee concurred in this estimate on 20 October 1953. The FBI abstained, the subject being outside of its jurisdiction."

* The Deputy Director for Intelligence, The Joint Staff, considers that the intelligence available is insufficient to permit a judgment, of Soviet capabilities or intentions, sufficiently accurate to justify the conclusion that:

"Deliberate initiation of general war by the USSR is unlikely during this period." [Footnote in the source text.]

and counteractions initiated by either side, but not intended by either side to have that result. In particular it might arise from actions by one side that were regarded by the other as an imminent threat to its security. There will also be a continued danger of new or intensified East-West clashes, particularly in Indochina, and Korea, and of incidents in Germany.

3. In the absence of such East-West clashes, and unless the USSR abandons its ostensibly conciliatory tactics, the next two years will probably be a period of reduced Free World apprehensions of general war. So long as this period lasts it will present a new challenge to the Free World. While over the longer run the very diversity of the Free World may lend it a flexibility and potential for growth which will constitute a source of strength, over the next two years this diversity may prove a source of weakness. The totalitarian nature and centralized controls of the Soviet Bloc might give it advantages in this phase of the cold war, even though the totalitarian rigidities of the Bloc system might over the longer run impair its stability and cohesion. Continued stresses and strains within the Soviet Bloc are likely, but the monolithic unity and forced cohesion of the Bloc will probably be much less affected by a situation of reduced apprehensions than the more divided Free World. Moreover, the build-up of Bloc strength will almost certainly continue, even if at a somewhat reduced rate, while the Free World may be inclined to relax its guard. We believe that in a situation of reduced international apprehensions and Bloc emphasis on divisive tactics, there is danger of a weakening in the unity of the Free World.

4. The progress being made by the USSR in the development of nuclear weapons is also a factor of prime military and psychological importance in the world situation. As this Soviet capability increases, Western superiority in numbers of nuclear weapons will be of relatively less significance so far as the psychological factor is concerned. As the USSR increases its capabilities for delivering a seriously damaging attack on the US, the US is losing the unique position it has held in the East-West struggle. The full impact of this development is not yet clear, but even now we perceive two new elements:

a. One is the danger that the USSR may use threats of atomic bombardment against certain Free World countries in an attempt to force their compliance with its demands. There is a chance that some US allies, if they feared that the threat of US retaliation would not deter Soviet action, would be forced by the prospect of atomic devastation to adopt more neutral positions in a cold, or especially in a hot, war.

b. In an age where initial air assault can be so destructive, the US is losing, if it has not already lost, the immense advantages of being able to conduct a deliberate and extensive post D-day mobilization with relative freedom from enemy attack.

Probable Trends in Soviet Bloc Cohesion, Strength, and Policies

5. *Cohesion of the Bloc.* Despite the possibility of a disruptive struggle for power within the new Kremlin leadership and the evidence of popular disaffection within the Satellites, we believe the Bloc will preserve its cohesion through the period of this estimate, and that the Kremlin will continue to play the dominant role in the formulation of Bloc policies. We believe that the USSR and Communist China will remain closely allied during the period of this estimate.

6. *Bloc Capabilities.* The build-up of Bloc basic industry and military capabilities will continue even though increased attention will be devoted to the correction of certain economic deficiencies in agriculture and consumer industries which recently have been specially emphasized. There are indications that the Soviet authorities intend to proceed along the lines laid out in the announced plans for these sectors of the economy. This would require an allocation of greater resources to agricultural and consumer goods production and, at least for the short run, would lead to a reduction in the rate of expansion of other sectors of the economy.

7. The most significant increase in Bloc military capabilities during the period of this estimate will arise from enlargement of the Bloc stockpile of nuclear weapons (and the addition of a thermonuclear component), and from an increase in the number of its jet aircraft and its submarines. The Bloc may by mid-1955 have available a sufficient number of heavy bombers to increase greatly its long-range air offensive capabilities. The Bloc will probably increase its air defense capabilities, and may have a limited number of all-weather jet interceptors in operational units. We do not believe that marked changes in Bloc military strength and capabilities are likely to occur in other respects; however, there will be a general improvement in training and equipment of Bloc armed forces.

8. Bloc political warfare capabilities, through exploitation of Western political and economic vulnerabilities, encouragement of anti-Westernism and nationalism in underdeveloped countries, and utilization of the world-wide network of Communist parties, will remain great.

9. *Probable Bloc Policies.*[†] We believe that the Communist rulers remain profoundly convinced that permanent hostility exists be-

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[†] The material in paragraphs 9-14 is taken from NIE-95, "Probable Soviet Bloc Courses of Action Through Mid-1955," 25 September 1953. [Footnote in the source text. For documentation on various U.S. assessments of Soviet capabilities and courses of action, see volume VIII.]

tween the Communist and the free worlds. Their basic objectives, therefore, continue to be an expansion of their own sphere of power and the eventual domination of the non-Communist world.

10. We believe that during the period of this estimate Bloc leaders will try to avoid courses of action which in their judgment might involve substantial risk of general war. We also believe it unlikely that the Bloc will initiate new local aggressions with identifiable Bloc forces during the period of this estimate, since the Communist leaders probably estimate that virtually any new local military aggression would now entail substantial risk of general war or political consequences adverse to Bloc interests.

11. It is always possible, of course, that the Kremlin will deem some act of local armed aggression sufficiently advantageous to make the risk worth while. Moreover, despite its reluctance to run substantial risks of general war, the Kremlin might through miscalculation adopt some course of action involving such a risk. We also believe that the Kremlin would not be deterred by the risk of general war from taking counteraction against a Western action which it considered to present an imminent threat to Bloc security.

12. During the period of this estimate the Communist leaders will conduct a vigorous political warfare campaign to undermine the Western power position. At present the Kremlin seems to be trying to give the impression that it has adopted a more conciliatory policy than that followed in Stalin's later years. The Kremlin may hope by such tactics to relax the vigilance of some Western states, to encourage dissension between the US and its allies, and to delay the progress of Western rearmament. We cannot predict how long such comparatively conciliatory tactics will continue; we believe that harsh courses of action similar to those pursued by the Kremlin in the past will reappear whenever the Kremlin deems them advantageous.

13. We believe that Bloc leaders during the period of this estimate will probably be prepared to reach an accommodation on some minor questions, and may make plausible but unacceptable proposals on major matters. However, they will almost certainly be unwilling to settle any East-West differences at the cost of major concessions. We believe, moreover, that the Bloc leaders will be extremely cautious in pursuing conciliatory tactics, and may revert from time to time to demonstrations of toughness, especially when they consider that their vital interests are involved, or that their tactics are being construed abroad as a sign of weakness. Offers to negotiate may be accompanied by reminders that the USSR now has improved capabilities in the nuclear weapons field, and as these capabilities further increase, the Kremlin may become bolder in its dealings with the West.

14. There are recent indications that the Bloc intends to increase its trade with non-Communist states. The Bloc's volume of trade with the Free World will probably increase somewhat during the period of this estimate, but this trade will continue to be very small in proportion to intra-Bloc trade. New trade agreements will probably be intended not only to obtain desired imports but also to weaken the economic ties of non-Communist states with the US, and to make strategic trade controls a bone of contention between these states and the US. While the Bloc will not be able to bring about a major shift in present trade patterns, the Communists probably estimate that political dividends can be earned from even small increases in their current volumes of trade with individual non-Communist states.

Probable Developments in the Free World

15. During the next two years the Free World will have difficulty in maintaining its strength in the face of Soviet divisive tactics and probable reduced apprehensions of East-West conflict. In contrast to the Kremlin's ability to control or influence the close-knit Soviet Bloc, the US, as leader of the anti-Soviet powers, faces the complex problems of dealing with the loose anti-Soviet coalition and the agglomeration of other nations of varying neutral tendencies which together make up the Free World. To many of this latter group, particularly the Middle and Far Eastern countries, the East-West struggle seems less important than the solution of their internal problems and the assertion of their independence of the chief Western Powers.

16. Differing views also exist between the US and its allies over the imminence of the Communist threat. The very fact of Communist aggression in Korea increased fears of general war and was a prime factor in stimulating Western rearmament. Now that many Free World countries believe that the threat of war has been reduced by a Korean armistice and by an ostensibly more conciliatory Soviet policy, the US will have greater difficulty holding together an anti-Soviet coalition and in securing increased Free World armed strength. The levelling off of the US's own rearmament effort and the decline in many of its foreign aid programs also lessens the sense of urgency abroad.

17. The apparent decline of Free World confidence in US leadership is another problem facing the US. Influential groups in many Free World countries, including several US allies, doubt the stability, moderation, and maturity of US policy. On the one hand, there is fear the US will shift to a "go-it-alone" policy or even retreat to isolationism, on the other that the US will involve the Free World in war. These doubts and fears offer a fertile field for Soviet divi-

sive tactics, and the new Soviet regime may be more successful than Stalin in exploiting them.

18. In a situation in which many Free World countries believe that the threat of war has been reduced, economic problems will also assume greater prominence and will test the strength and cohesion of the Free World. This reduced apprehension will weaken what has been a powerful incentive to cooperation and sacrifice. Moreover, some readjustment to a reduced rate of rearmament and declining US aid will be necessary. Much will depend on US economic policies and the US economic situation. Not only would US economic setbacks have a serious impact on the Free World, but US trade policy will directly affect the economic health of Free World countries, and US aid will remain in many cases an important element in their military build-up, economic stability and development, and political orientation. The problem of East-West trade is also likely to become more troublesome.

19. Therefore, we believe that in the absence of renewed Soviet provocation, there may develop further serious rifts between the Free World nations which will weaken the Western position in the cold war. Such rifts may develop in any case as a result of economic developments or local nationalist pressures but reduced apprehensions of war, combined with skillful Soviet divisive efforts, would make them even more serious. The most troublesome differences may arise over policies to be pursued in the Far East. It is possible, therefore, that the next few years might see an increasing isolation of the US, not by its own desire but because of increasing policy differences between it and other countries of the Free World.

20. Even assuming the continuation of the Soviet courses of action projected in paragraphs 9–14 above, there remains a serious danger of new or widening East-West clashes in such critical areas as Indochina, Korea, and Germany, which would again increase Free World apprehensions. Whether, if such clashes took place, the Free World would then rally to the support of the US and of expanded rearmament programs, as after the Korean aggression, would probably depend at least in part on the circumstances under which the clashes developed.

Probable Developments within the NATO Coalition [3]

21. Although we foresee no developments which will undermine the basic solidarity of the NATO alliance, we believe that, in view of reduced European apprehensions of East-West conflict, rifts may develop between the NATO partners, particularly between the European NATO countries and the US. The USSR will attempt to un-

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[3] For documentation on U.S. relations with the North Atlantic Treaty Organization, see vol. v, Part 1, pp. 1 ff.

dermine popular support for the NATO alliance and for rearmament, in particular the program to rearm West Germany. These efforts, together with increased Soviet nuclear capabilities, continued intra-European differences, and European disagreements with the US over cold war policies, may lead to more nationalist and neutralist attitudes in Western Europe.

22. So long as apprehensions remain reduced there also will almost certainly be a further loss of momentum in the NATO build-up. The general feeling that the immediate Soviet threat has receded has already led most NATO countries to reduce their military outlays. While a further slow increase in NATO strength over the next two years is probable, only in event of renewed Soviet aggressiveness will it be as rapid as in 1950–1953. On the other hand this might allow many NATO countries to concentrate on domestic needs and to devote more resources to meeting their own social and economic problems. Such a trend might strengthen countries such as the UK, which remain highly vulnerable to adverse international economic developments.

23. Significant increases in European NATO military strength over the coming period will probably depend upon the extent to which Spain, Yugoslavia, and above all West Germany can be directly or indirectly associated with NATO. The Trieste issue will remain an irritant in Italo-Yugoslav relations which will render the association of Yugoslavia with NATO difficult. Until a settlement of the Trieste issue is generally accepted, the usefulness to NATO of the Greek-Turkish-Yugoslav *entente* will be impaired.

24. But above all, the prospects for greater European NATO strength and cohesion will revolve increasingly around the interlocking problems of Germany's future and the attitude of France. As a result of Soviet failure to come forward with any acceptable reunification scheme and of Adenauer's overwhelming victory, the chances for integrating West Germany with the Western Powers and for initiating its rearmament have increased.[4] The Kremlin may seek to avert or postpone these developments by renewed talk of German reunification, but it is unlikely to offer any terms which would jeopardize its control over East Germany. Adenauer's position is so strong and German disillusionment with Soviet unification offers is so great that any Soviet offers not involving abandonment of Soviet control over East Germany would be unlikely to have much impact on German opinion. The importance attached by the Soviet rulers to West German rearmament is such, however, that they might react to it by measures which would enhance the

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[4] For documentation on efforts to obtain the adherence of the Federal Republic of Germany to the North Atlantic Treaty Organization, see vol. v, Part 2, pp. 1114 ff.

risk of an East-West clash in this area. A likely pressure point would be West Berlin.

25. Other difficulties will be created by the weakness and hesitations of France. A strong West Germany and a strong France are both necessary for the creation of a strong and stable Western Europe; French weaknesses and indecision are blocking the achievement of this objective. France is over-extended internationally, hampered by outmoded political and economic institutions, and still torn by domestic, economic, and social difficulties. France fears a strong West Germany which might dominate it or drag it into war. Moreover, there are indications that the USSR, in its efforts to forestall West German rearmament, may concentrate on France as the most vulnerable point in the Western coalition.

26. Though many in France are aware of the need for strong government, there is no evidence that this awareness will lead to a stronger French political system. The social cleavages, economic problems, and political weaknesses of France will remain as serious obstacles to the building of a strong and stable Europe. A successful resolution of the Saar issue, now made more likely by reason of the Adenauer victory in West Germany, may well prove the barometer of French willingness to accept EDC. [5] Even if France should ratify the EDC, it will remain weak and divided during the period of this estimate and will seek to limit and delay West German rearmament.

Probable Trends in the Far East

27. In the last two years the most active theater in the East-West struggle has been in the Far East. There the Western powers have kept the Communists from overrunning South Korea and Indochina while attempting to build up anti-Communist strength through US support of the non-Communist countries in this area. We believe it unlikely that the Communists will undertake new local aggression in the Far East with identifiable Bloc forces. The emphasis in Communist China over the next two years will probably be on building up industrial and military strength. However, we believe that the Communists would take counteraction against Western actions which they felt presented an imminent threat to their security, even at the risk of widening hostilities in the Far East.

28. It will be difficult to increase the strength, cohesion, and anti-Communist orientation of the non-Communist states of the Far East. The cessation of hostilities in Korea, together with Communist efforts to promote rifts among the anti-Communist powers,

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[5] For documentation on the interest of the United States in a European Defense Community, see vol. v, Part 1, pp. 571 ff.

will add to this difficulty. During the next two years there is unlikely to be any significant improvement in the Western position in this area; moreover, there are possibilities of serious deterioration, particularly in Indochina, Indonesia, and Korea.

29. *Korea.*[6] A Korean political conference, if it takes place, is unlikely to result in any agreement which would alter the *status quo*. The Communists are unlikely to break the armistice by renewing hostilities, but they almost certainly will not agree to Korean reunification on terms which would endanger their control of North Korea. On the other hand, if President Rhee remains convinced that the US could neither prevent an ROK armed attack against the Communists nor disassociate itself from military support of such action, once undertaken, we believe that he will probably at some time seek to disrupt the armistice by such an attack. If hostilities are renewed, the Communists will probably take, at a minimum, the military measures they consider necessary to maintain their position in Korea. Unless the ROK renews hostilities, we believe that there will be a continued armed truce in this area, with both the US and USSR engaged in reconstruction and in strengthening their respective Korean partners.

30. *Taiwan.* Any major change in the status of Taiwan is unlikely. The Communists probably will not attempt invasion so long as the US defends Taiwan; and unless the US decides to support Chiang's forces directly, he in turn will be unable to undertake more than minor harassment of the mainland.

31. *Indochina.*[7] We believe that there will almost certainly be important developments in the Indochina situation during the period of this estimate. The steady deterioration of France's will to continue the struggle has been at least temporarily checked by French resumption of the initiative under the Laniel-Navarre plan. We do not believe, however, that the French will achieve a complete military victory. The French objective is to reduce the drain of the Indochina war on France, while maintaining a position for France in the Far East. The outcome will depend on whether, by a combination of military victories and political concessions, the French can strengthen the Associated States to the point where these states will be able to maintain themselves against Communist pressures with greatly reduced French support. The French would hope in this way to create a situation which could serve as a basis for successful negotiations with the Communists. The Laniel-Navarre plan may be the last French effort in Indochina. Should it fail to achieve its objectives we believe that, unless the US proves

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[6] For documentation on the Korean war, see volume XV.

[7] For documentation on Indochina, see volume XIII.

willing to contribute forces, the French will in time seek to negotiate directly with the Communists for the best possible terms.

32. For their part, the Chinese Communists will almost certainly continue their present type of support for Viet Minh. They are unlikely to intervene with organized units, at least in the absence of Western moves which in their opinion threatened the security of Communist China. At the same time, the Communists will probably talk of peace negotiations as part of their propaganda campaign and might raise the Indochina issue in high level political conferences. They are unlikely, however, to agree to any political settlement which they believe would lessen their chances of eventually gaining control of Indochina.

33. *Other Countries of Southeast Asia.* Problems facing the other Southeast Asian countries are those of attaining political stability, coping with local insurrections, and meeting their own serious economic problems. The outlook in the Philippines, and in the absence of serious deterioration in the Indochina situation, in Burma, Thailand, and Malaya, is for some improvement in stability, though these countries will by no means resolve their numerous internal problems. In Indonesia, however, the leftist character of the present government offers increased opportunities for Communist penetration.

34. *Japan.* Accumulating economic difficulties and the reluctance or inability of the Japanese Government to adopt energetic economic and rearmament policies are prolonging Japanese dependence on the US and delaying Japan's development as a counterweight to Communist power in the Far East. At the same time there is growing anti-American sentiment in Japan. Unless Japan can find the necessary foreign markets and take the necessary internal economic measures, the development of a sound defense structure as well as a sound economy will be endangered, the present dominance of the moderate conservatives will be weakened, and the whole pattern of US-Japanese cooperation will be threatened. We foresee no basic change in Japan's pro-Western orientation, but economic difficulties and growing nationalism will create increased US-Japanese frictions and postpone the development of a strong anti-Communist Japan.

Prospective Trends in the Middle East, Africa, and South Asia

35. In the underdeveloped areas of Asia and Africa the Western position has deteriorated since World War II. Local nationalism has proved a force against the West and the deep-seated revolutionary forces at work in these areas have created political instability. It is difficult to overcome the anti-Western sentiments of the newly independent Asian and African countries and convince them that

Communist policies threaten their independence. Except in Iran, however, the internal Communist threat is small and is unlikely to grow greatly in the next two years.

36. *The Middle East and North Africa.* Conflicts between native nationalists and the "colonial" powers will continue, but we believe that in certain areas there are prospects for improvement in the West's position. The fall of Mossadegh in Iran has at least temporarily increased the opportunities for strengthening Iran's internal stability and settling the Anglo-Iranian oil disputes.[8] Chances for settlement of the Anglo-Egyptian base controversy[9] have improved, and if a settlement is reached it will probably have a favorable effect on both the stability of the Egyptian regime and on the Western position throughout the Arab World. On the other hand, an Anglo-Egyptian settlement may set the pattern for similar demands from Iraq. The Arab-Israeli dispute will continue, but a renewal of large-scale hostilities remains unlikely in view of the near military equilibrium of the two parties, and the restraining influence of the US, the UK, and France. The more favorable policy that the US has adopted toward the Arab States may contribute to better relations with them. However, there remain possibilities of markedly adverse developments in this volatile area. Although the deposition of the Sultan of Morocco has temporarily bolstered French control, it is likely to drive the nationals to more extreme positions since France seems unlikely to implement very far-reaching reforms.

37. *South Asia.* India and Pakistan will probably remain preoccupied with their own serious economic and social problems; they will also remain concerned with their dispute over Kashmir.[10] India is unlikely to abandon its neutralist position in the cold war, but Pakistan, motivated largely by its desire to improve its position vis-à-vis India, will continue its efforts to secure some pact with the Western Powers, in return for extensive US aid. Some further improvement in the relations of this area with the West may occur over the next two years, but they will remain acutely sensitive both to anti-colonial disputes in other areas and to any indications that the West is pursuing aggressive cold war policies, particularly against Communist China.

Probable Trends in Latin America

38. There will probably be a continued trend in Latin America toward extremely nationalistic regimes based on demagogic appeals

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[8] For documentation on Iran, see volume x.

[9] For documentation on Egypt, see volume ix.

[10] For documentation on the Indo-Pakistani dispute over Kashmir, see vol. xi, Part 2, pp. 1162 ff.

to sectors of new political importance—organized labor, white-collar workers, and the lower middle class. This trend will be most evident in countries where rapid social and economic change is taking place. This change results from forced industrialization at the expense of agriculture, which is generally accompanied by severe inflation. Right or left extremism which poses potential threats to US security interests will probably be strongest in Argentina, Bolivia, Chile, Guatemala, and possibly Brazil. In these countries there will continue to be substantial Communist and demagogic nationalist influences, which will attempt to channel the resentment of the dislocated groups against the US. In Guatemala Communist influence over the government, already strong, may increase. Communist penetration of British Guiana has posed a new problem in the Caribbean area.

39. Most Latin American countries will probably continue to cooperate with the US in the UN on basic East-West issues, although they will tend increasingly to pursue an independent course on issues affecting underdeveloped countries. Latin America will be increasingly concerned about US trade and especially tariff policies. Regardless of the degree of Latin American cooperation with the US, there will probably be an increasing tendency to expand commercial and possibly diplomatic relations with the Soviet Bloc.[11]

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[11] On Oct. 26, Special Assistant to the Secretary of State for Intelligence W. Park Armstrong submitted to Dulles a one-page summary of NIE-99. A copy of this summary is in file 102.21 NIS/10-2653.

PPS files, lot 64 D 563, "NSC 153-162, Sept-Dec, 1953"

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson)[1]

TOP SECRET WASHINGTON, October 27, 1953.

Subject: Review of Basic National Security Policy (NSC 162/1)[2]

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[1] The source text is accompanied by a covering memorandum from Lay to the National Security Council dated Oct. 28 with copies sent also to the Secretary of the Treasury; the Attorney General; the Directors of the Bureau of the Budget and Central Intelligence; the Chairmen of the Council of Economic Advisers, the Atomic Energy Commission, and the Joint Chiefs of Staff; and the Federal Civil Defense Administrator. In this memorandum Lay indicated, *inter alia*, that the memorandum was being circulated in connection with consideration of NSC 162/1 by the Council at its meeting on Oct. 29, 1953. For the memorandum of discussion at the 168th meeting of the NSC on Oct. 29, see p. 567. NSC 162/1 is not printed. For text of NSC 162/2, Oct. 30, see p. 577.

[2] Not printed.

1. The Joint Chiefs of Staff submit herewith their views regarding the amended draft statement of policy proposed by the National Security Council Planning Board entitled "Review of Basic National Security Policy" (NSC 162/1).

2. In their memorandum for you, dated October 6, 1953, subject as above,[3] the Joint Chiefs of Staff submitted their comments and recommendations regarding the preceding draft statement of policy on this subject, NSC 162. They note that NSC 162/1 incorporates the amendments agreed to by the Council after consideration of the various proposed revisions to NSC 162, except for that one pertaining to subparagraph 8-a (1) of NSC 162 (subparagraph 9-a (1) of NSC 162/1). The Joint Chiefs of Staff assume that, in general, it would not be appropriate to reiterate those revisions recommended by them in their memorandum dated October 6, 1953, which have not been incorporated in substance in the amended draft policy statement. However, they do recommend that subparagraph 9-a (1) of NSC 162/1, which now reads,

> "A strong military posture, with emphasis on the capability of inflicting massive retaliatory damage by offensive striking power;"

be changed to read,

> "A strong military posture to include the capability of inflicting massive retaliatory damage by offensive striking power;"

The Joint Chiefs of Staff recommended this wording in their memorandum for you dated October 6, 1953.

3. The Joint Chiefs of Staff also recommend that:

> a. In the third line of subparagraph 9-a (2) of NSC 162/1, the word "or" be changed to read "and". It is essential that the U.S. have forces adequate to accomplish both functions, not one or the other.
>
> b. In the last sentence of subparagraph 35-a of NSC 162/1, the last eight words which read "and cannot be furnished by the United States" be deleted. As written, the sentence is illogical because the word "largely" is not entirely consistent with the last clause. Furthermore, the statement is inexact since the U.S. can and may have to furnish ground forces despite our desire to avoid doing so (i.e., as in Korea).

4. With respect to subparagraph 15-b of NSC 162/1, part of the revision recommended by the Joint Chiefs of Staff has been accepted and a part rejected, with the result that, while the sense of the subparagraph as now drafted is not entirely clear, it appears to lead to the conclusion that current NATO objectives with respect to the defense of Western Europe in the event of general war

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[3] See footnote 3, p. 517.

cannot be achieved, a conclusion which the Joint Chiefs of Staff consider not to be justified at this time. The impact of this conclusion upon our European NATO partners, should it become known, will be readily obvious. In order to remove the possibility of such an interpretation, and in the interest of arriving at phraseology which would reflect the views of the Joint Chiefs of Staff and at the same time be acceptable to the NSC, the Joint Chiefs of Staff recommend that subparagraph 15-b of NSC 162/1 be deleted and the following subparagraph substituted. (For convenience, that part of the subparagraph which has been changed is indicated by underscoring. [4]):

"b. In Western Europe the build-up of military strength and the progress of economic recovery has, at least partially, remedied a situation of glaring weakness in a vital area. NATO and associated forces are now sufficient to make aggressive action in Europe costly for the USSR and to create a greater feeling of confidence and security among the Western European peoples. *However, even though significant progress has been made in building up these forces, the military strength in Western Europe is presently not sufficient to prevent a full-scale Soviet attack from overrunning Western Europe. Even with the availability of those German forces presently planned within the framework of EDC, present rates of defense spending by European nations and present rates of U.S. military assistance certainly could not be expected to produce forces adequate to prevent the initial loss of a considerable portion of the territory of Western Europe in the event of a full-scale Soviet attack. Therefore, since U.S. military assistance must eventually be reduced, it is essential that the Western European states, including West Germany, build and maintain maximum feasible defensive strength.* The major deterrent to aggression against Western Europe is the manifest determination of the United States to use its atomic capability and massive retaliatory striking power if the area is attacked. However, the presence of U.S. forces in Western Europe makes a contribution other than military to the strength and cohesion of the free world coalition."

5. The Joint Chiefs of Staff have reviewed and are in general agreement with the policy considerations and conclusions which have been added to the draft statement of policy.

6. Subject to the revisions recommended in paragraph 2, 3 and 4 above, the Joint Chiefs of Staff consider that NSC 162/1 is acceptable as a statement of policy to supersede NSC 153/1. [5]

For the Joint Chiefs of Staff:
EDWIN H.J. CARNS
Brigadier General, USA
Secretary

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[4] Printed here as italics.

[5] Dated June 10, p. 378.

S/S-NSC files, lot 63 D 351, NSC 162

Memorandum by the Director of the Policy Planning Staff (Bowie) to the Secretary of State

TOP SECRET WASHINGTON, October 28, 1953.

Subject: NSC 162/1, Review of Basic National Security Policy.[1]

NSC 162/1 is the Planning Board's revision of NSC 162 incorporating the compromises and agreements made at the NSC meeting of October 7.[2] The changes involve principally (a) some acceptance of the Treasury-Budget view on equating the internal threat to the U.S. economy with the external Soviet threat, on the basis of the Council's discussion and the views expressed by the President, and (b) compromise versions of certain paragraphs on reduction of the Soviet threat previously unagreed (principally as between State and Defense). The new paper also contains some additions to include points previously intended for inclusion in a section on "Courses of Action", which it has now been decided to eliminate.

Although some of the basic issues discussed at the October 7 meeting are glossed over rather than clearly decided in the paper, nevertheless it is a generally satisfactory guide for U.S. policy. Presumably later NSC papers on more specific issues and particular areas will clarify application of the general policies laid down in this document.

Your attention is called to a number of paragraphs which have been redrafted in the light of the October 7 discussion and decisions, and to certain new paragraphs previously intended for inclusion under "Courses of Action". These are included in the listing below. Except for the paragraphs marked by an asterisk (*), there is no particular reason to raise any of them at the meeting.[3]

In the course of final consultation within the Department certain other points were brought out. In the listing by order below, the pertinent paragraphs are marked by an asterisk (*). You may wish to raise these points in the NSC.

Paragraph 1. New paragraph, identical with 31, included to mollify Treasury, as agreed at the October 7 meeting.

Paragraphs 10 and 34b. New paragraphs on intelligence, manpower, research and development, economic mobilization, and internal security, added so that the paper will provide basic guidance in those fields.

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[1] NSC 162/1 is not printed; for text of NSC 162/2, Oct. 30, see p. 577.

[2] For the memorandum of discussion at the 165th meeting of the NSC, Oct. 7, see p. 514.

[3] Reference is presumably to the forthcoming 168th meeting of the NSC on Oct. 29; for the memorandum of discussion, see *infra*.

Paragraphs 12d, 36d, and e, 37. These references, in their present form, satisfactorily cover the subject of future policy on foreign aid. The language of subparagraph 36e, which is the President's, is broad enough to cover any contingencies which may arise necessitating economic aid; at the same time the idea of reduction of aid is set forth in subparagraph 12d.

Paragraph 38. The compromise version of the paragraph on redeployment contains in subparagraph b the essential point in regard to the dangers of any immediate withdrawal of U.S. forces. Presumably the task of our diplomacy set forth in subparagraph c will not require any early campaign of persuasion which might frighten our allies with the prospect of U.S. withdrawals.

**Paragraph 39b.* Revised paragraph on the use of nuclear weapons. Subparagraph 39b (1) provides that for planning purposes the U.S., in the event of hostilities, will consider nuclear weapons to be as available for use as other munitions. The question has been raised whether, in order to avoid an implication of change, reference should not be made to the established procedure that nuclear weapons should be used only by decision of the President, on the advice of the Secretary of State, the Secretary of Defense, and the Chairman of the Atomic Energy Commission.

Paragraph 40. Acceptable combination of previously unagreed approaches to the problem of meeting the costs of security policies and protecting the economy. Subparagraph b contains the main point considered essential by State and Defense.

Paragraph 42. Redrafted to reconcile divergencies of view, principally between State and Defense, over the relationship between taking actions against the Soviet bloc and inducing possibilities for reduction of the Soviet threat through negotiation. Subparagraph 42d consists of the following new text agreed in the Planning Board:

> "d. The United States should make clear to the leaders and peoples of the U.S.S.R. that its policy is to prevent Soviet aggression and continuing domination of other nations, and to establish effective control of armaments under proper safeguards; but is not to dictate the internal political and economic organization of the U.S.S.R."

**Paragraph 44.* EUR feels strongly that the following paragraph, which was dropped when the Council last considered the paper on October 7, should be reinserted as paragraph 44c:

> "The United States should not, however, initiate aggressive actions involving force against Soviet bloc territory. Limited actions within our capabilities would not materially reduce the Soviet threat even if successful. Moreover, they are likely materially to increase the risk of general war, would place serious strains on the

coalition, and might well destroy the chances of agreement with the U.S.S.R. on the more fundamental aspects of the Soviet threat."

EUR emphasizes that this paragraph contains an important warning against U.S. actions against Soviet bloc territory, none of which would materially reduce the Soviet threat even if successful. On the contrary such aggressive actions might seriously strain our relations with our allies and endanger all chances of agreement with the U.S.S.R. on more fundamental aspects of the Soviet threat.

R. R. BOWIE

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 168th Meeting of the National Security Council, Thursday, October 29, 1953 [1]

[Extract]

TOP SECRET EYES ONLY

Present at the 168th meeting of the Council were the President of the United States, presiding; the Secretary of State; the Secretary of Defense; the Acting Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. The Vice President did not attend the meeting because of his absence from the country. Also present were the Secretary of the Treasury; the Attorney General (for Items 2 and 3); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Items 2 and 3); the Chairman, Council of Economic Advisers (for Item 2). The following were present for Items 2, 3 and 7: the Secretary of the Army; the Secretary of the Navy; the Acting Secretary of the Air Force; the Acting Chief of Staff, U.S. Army; the Chief of Naval Operations; the Acting Chief of Staff, U.S. Air Force; and the Acting Commandant, U.S. Marine Corps. Others also present were the Director of Central Intelligence; the Assistant to the President; Robert Cutler, Special Assistant to the President; C.D. Jackson, Special Assistant to the President; the Deputy Assistant to the President; Robert Bowie, of the Department of State; the Acting White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

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[1] Drafted by Deputy Executive Secretary Gleason on Oct. 30.

2. *Review of Basic National Security Policy* (NSC 162/1) [2]

Mr. Cutler gave the members of the Council a very careful briefing on previous action with respect to this report, and on the structure and content of NSC 162/1. He insisted that despite the feeling in certain quarters that the policy was lacking in sharpness and in new content, it did actually provide adequate guidance on a number of important points, including emphasis on the internal threat to the U.S. economy, subsequent redeployment of U.S. forces abroad, emphasis on massive retaliatory offensive capability, normalization of atomic weapons, the build-up of German and Japanese defensive strength, and continued pressure on the Soviets but hospitality towards any genuine possibility of negotiating settlements with the USSR.

. . . .

Secretary Dulles also pointed out that the rules and regulations governing the exchange of atomic energy information had been developed at a period when the United States had a monopoly in the field and wished to retain it. The monopoly was now gone, and accordingly it was time to review the prohibitions.

Secretary Dulles said that he had another question to raise with respect to paragraph 39-b. Was the policy statement in this paragraph in accordance with the law of the land as set forth in the Atomic Energy Act of 1946? It seemed to be our policy that the President would, in certain contingencies, allow our allies to have and use atomic weapons.

Mr. Cutler said that the matter of custody of weapons was not at issue in the present paper, but Admiral Strauss thought that, indirectly at least, the custody issue was raised. He observed that the President could turn over these weapons for immediate use if he deemed it in the interest of the national security. Accordingly the custody problem was involved. Mr. Cutler agreed with Admiral Strauss, and noted that the existing policy paper on custody would have to be revised if the President approved paragraph 39-b.

. . . .

Mr. Cutler then read to the Council a proposed amendment to paragraph 42-d which had been agreed by the Planning Board. The objective of the revision was to indicate that the decision of the United States, to make clear to the leaders and people of the USSR that if the USSR forgoes external expansion, relinquishes domination of other peoples, etc., the United States would be prepared to accept continuance of the internal political and economic organization of the USSR, was a directive in the diplomatic field and was not intended to constitute guidance for our information and propaganda agencies. The directive to the latter was set forth in paragraph 44-b.

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[2] NSC 162/1 is not printed; for text of NSC 162/2, see p. 577.

Mr. C.D. Jackson expressed emphatic approval of Mr. Cutler's suggested revision, and said that if the present language of paragraph 42-d remained, it could be interpreted as an endorsement of the Soviet system as it now existed.

The President likewise expressed approval of the new language, as did the Director of Central Intelligence and the Secretary of State. On the other hand, Secretary Wilson thought that the subject deserved further study.

Secretary Dulles then stated that he wished to raise a point with regard to pressures on the Soviet Union as set forth on page 25 of NSC 162/1. Certain of his people in the State Department had expressed concern at the absence of any specific inhibition against aggressive action vis-à-vis the Soviet bloc. They had in mind such projects as the detachment of Albania or an assault on Hainan Island, which had been discussed earlier. As long, said Secretary Dulles, as it is quite clear that no such actions as these would be undertaken without consideration by the National Security Council, he was willing to let the present language on page 25 stand.

Mr. Cutler then called the Council's attention to the revision of paragraph 15-b with regard to the build-up of strength in Western Europe, adding that he thought the revision suggested by the Joint Chiefs constituted an improvement on the present version of the paragraph.[3]

Secretary Humphrey expressed strong dislike of the content of this paragraph, since, he said, to him it indicated that we were telling our allies in Western Europe to spend more money on their military defense than they are doing at the moment, whereas in fact present expenditures were causing these allies to go broke.

Secretary Wilson challenged the statement of the Secretary of the Treasury, who, in turn, cited France as an illustration of his point.

The President observed that whatever the situation of the economies of the Western European powers, 1953 had been the best year in a long time for them.

Secretary Humphrey continued to argue, however, that it was unwise to ask our allies to undertake what we cannot ourselves accomplish. Their defense expenditures should be calculated in relation to their economic capabilities. If they overspend, we would ultimately have to foot the bill.

After further discussion, the President expressed approval of the JCS revision, and Mr. Cutler went on to call attention to the next important point raised by the Joint Chiefs' comments, namely, their suggestion with regard to paragraph 9–a–(1), which in its present form called for a "strong military posture", with emphasis on the capability of inflicting massive retaliatory damage, and which the Joint Chiefs wished to change to read "a strong military posture to include emphasis on the capability", etc.

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[3] See the memorandum by the Joint Chiefs of Staff, Oct. 27, p. 562.

After Mr. Cutler explained that the Planning Board had not viewed this proposed change favorably, the President observed that this seemed to him to be a highly academic argument. A strong military posture, said the President, pre-supposes a basis of general strength, but it does not exclude emphasis on certain aspects of such strength. He liked the word "emphasize", he continued, because it provided some sense of priority for our military planning. Certainly we do not want to build up equally all types and varieties of military strength.

Admiral Carney pointed out to the President that the Joint Chiefs of Staff were at present feeling the pinch of trimming their sails. Our national policy commitments had, of course, not changed. If, therefore, we set priorities as this paragraph recommended, this was bound to affect the character and composition of our forces, and Admiral Carney insisted that the time had not yet come to effect such changes and could not come as long as our present military commitments remained unchanged.

Secretary Humphrey inquired, with some heat, if the time had not come to make such changes, when did Admiral Carney imagine it would come? Admiral Carney replied, when you change our commitments.

Secretary Dulles manifested some impatience with the talk about commitments. He insisted that we are not committed to the maintenance of any specified number of ground forces in Europe. We were committed to go to war there if there were an attack on a NATO country. Certainly, however, if the Soviets attacked Norway, we were not committed to reply by fighting a war in Norway. We would be much more likely to retaliate somewhere else where the military advantages would be clear.

In reply, Admiral Carney insisted that, nevertheless, we do have large numbers of military forces situated in Europe and committed there as of the present time, to which point Secretary Wilson added that "quite a wind" blew on this subject this last week.

Secretary Dulles pointed out that the reason the wind blew was not because of the possibility that withdrawing some of our ground forces from Europe had led the Europeans to fear that they would be unable to defend Western Europe against Soviet aggression. The real reason for the alarm in Europe about such a redeployment had arisen because the American forces presently stationed there are the chief means by which the Europeans hope to see a welding together of French and German military resources. This was primarily a political rather than a military matter. What was at stake in the present discussion in the Council was how best to assure the defense of Europe.

Secretary Humphrey commented that as he understood it the National Security Council was supposed to be considering at present the redeployment of large numbers of U.S. troops overseas and a thorough-going revision of our whole military strategy. If we did not propose to do either of these things, the whole purpose and objective of our deliberations was lost.

The President answered Secretary Humphrey by saying that the real issue was not the pros and cons of redeployment, but rather how fast such a redeployment could be carried out. He again reminded Secretary Humphrey that no matter what we now decided as to the size and character of our military establishment, we could not effect changes in its present composition very rapidly. The whole structure was too immense and complicated, and all we could do now was to set up new goals and initiate action to reach them. Furthermore, said the President, we must not lose sight of the political and morale problems which would be involved in any abrupt change and redeployment of our forces. Nevertheless, continued the President, he did emphatically believe that we must begin to look forward to the day when we could realize the new concept which we had been discussing.

Secretary Wilson, speaking in defense of the views of the Joint Chiefs with regard to paragraph 9–a, repeated the conviction of the Joint Chiefs that they could not remove our troops from Europe in view of the present commitments there. He pointed out in addition that we were contemplating increased expenditures on other aspects of our military posture; for example, on continental defense. In short, there were other things to be emphasized besides the retaliatory striking power, and for this reason Secretary Wilson preferred the JCS version.

Secretary Humphrey replied that if we accepted the version proposed by the Joint Chiefs of Staff, we would be abandoning all our attempts to secure a radically new and different military policy.

Admiral Carney answered that of course the Joint Chiefs of Staff believed that apart from our offensive missions the armed forces had very important defensive jobs to do. It was unwise, he insisted, to put all our eggs in one basket of striking power, and that the Joint Chiefs preferred a version of this paragraph which expressed a reasonable balance of military capabilities.

Unconvinced, Secretary Humphrey insisted that to emphasize one mission certainly didn't mean the exclusion of other important missions. However, if we ever proposed to make a real change in our military posture, we've got to begin some time to do it.

Mr. C. D. Jackson, addressing the President said, "You set some very excellent ground rules when this problem of redeployment first came to the attention of the National Security Council. You said in the first instance that no one was to talk about the problem except with his advisers while the Secretary of State explored the 'how' and the 'how soon' of accomplishing the redeployment. After the Secretary of State reported his findings you would make the decision as to redeployment. These were good ground rules when you first gave them out, and they continue to be at the present time."

Mr. Cutler commented that there were three elements of our defense posture specified in paragraph 9-a. While the Planning Board was deliberately emphasizing retaliatory striking power, it was obvious that there was no intention of excluding other important elements.

The President stated that he still preferred the Planning Board version of the statement on our military posture. After all, deterring war was even more important than winning a war. No deterrent to war could compare in importance with this retaliatory striking power. Why don't we therefore say what we mean to emphasize?

In reply to this point, Admiral Carney said that the use of the term "emphasize" as presently stated meant in effect giving first priority to this attack force. He could discern many undesirable imbalances if the word "emphasize" were used.

Addressing himself to Admiral Carney, Secretary Humphrey inquired, "But are you not planning ultimately to change your strategy and the composition of your forces?"

Admiral Carney asked to be permitted to summarize the history of the Joint Chiefs' thinking on this whole problem. He reminded the Council that before the new Chiefs had formally taken office the objective of reducing the cost of the military establishment had been handed to them with a request to study and report on how such reduction could be accomplished. After such study the Chiefs reported that a real reduction in cost could be achieved only by the redeployment of American forces stationed overseas. They did not, however, make an immediate recommendation that such redeployment be initiated.

Secretary Humphrey stated with emphasis that Admiral Carney's remarks outlined our basic difficulties. Secretary Humphrey said that he thought that the Chiefs meant to begin such redeployment at once, and that the State Department was to prepare the way for the initiation. Now Admiral Carney says that the Chiefs never made any such proposal and recommendation. There ensued a discussion between Secretary Humphrey and Admiral Carney, which was concluded by a statement by Admiral Carney to the effect that if, in the course of JCS analysis of the redeployment problem, the conclusions turned out to be different from those originally hoped for, the Chiefs had no option but to change their views. After all, it was their responsibility to provide the best military advice they could to the President and to the National Security Council.

Secretary Wilson added the comment that the President has already said that we could not change our military posture overnight. Furthermore, the State Department cannot change at once the political situation overseas in order to make possible a change in military posture. This left the Defense Department in a very delicate position. While it recognized the need for economic stability at home, it was also responsible for the maintenance of our military strength abroad. This was the crux of the problem. In their study of the problem the Chiefs had come up with proposals which recommended themselves to him. Meanwhile, the budget has got to be prepared, and the great problem facing the Defense Department was how to get the budget ready for presentation to Congress. To be sure, the Chiefs had, on October 2, come back with much the same answers to military problems that had been given before, but that was because the necessary preliminary changes in commitments had not been made. Furthermore, it was found necessary to add something to the military budget to take care of increased continental defense. Secretary Wilson then paused to read from a memorandum designed to indicate where the Defense Department found itself now in the process of preparing a budget. (A copy of this statement is filed in the Minutes of the 168th NSC meeting.)[4]

At the conclusion of Secretary Wilson's remarks, the President expressed some doubt as to whether he had followed the direction of the argument and the points which Secretary Wilson was making, but said that in any case, with regard to paragraph 9–a, we should certainly adopt the Planning Board version with its emphasis on retaliatory offensive striking power. In effect, we should state what we propose to do, namely, to keep the minimum respectable posture of defense while emphasizing this particular offensive capability. Nobody could possibly reduce from such a statement that we propose to abandon the defense of New York City.

Mr. Cutler inquired whether it would be appropriate for the record of action to note the dissent of the Defense Department with respect to this paragraph, but the President replied, with considerable warmth, that he would tolerate no notice of a JCS dissent in the record of action. The Joint Chiefs of Staff were, after all, his military advisers; he made the decisions. If the Joint Chiefs or the Defense Department, after a suitable interval, felt that the agreed statement on our military posture did not serve the best interests of the nation's defense, the President said he fully expected them to come to him and tell him so. He would then reconsider the problem.

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[4] The memorandum has not been found. For information on the minutes of NSC meetings, see footnote 1, p. 394.

Secretary Dulles commented that he fully realized how delicate was the operation to redeploy American forces from overseas stations. Indeed, it might prove too delicate an operation to undertake. In any event, it will take time to accomplish, and the decision to try it must first be made at the very highest levels of government. This matter of emphasizing the retaliatory capability may consume two or even three years, but if we do not decide now on this change, no change will ever occur. Secretary Dulles said that he himself was against immediate change, and furthermore pointed out that there are safeguards written in NSC 162/1 which would prevent accomplishing this change too hastily.

The President replied that Secretary Dulles had stated, with greater clarity than he himself had been able to, the President's own position, and Secretary Wilson agreed that, as a result of the discussion, this issue had now been sufficiently clarified.

Mr. Dodge then inquired whether the statement on page 7 implied that the Government would undertake the expense of the dispersal of production plant capacity. Mr. Flemming replied in the negative, and pointed out that there would be no cost to the Government except indirectly through tax amortization.

Mr. Dodge went on to say that he had also another more general question. He had detected nothing in this paper with regard to any theoretical date for D-Day readiness. As this date had figured in prior statements of policy, he wished assurance that it was not implied anywhere in NSC 162/1. Mr. Dodge received the desired assurance that no such date was contemplated.

Admiral Strauss said that he was much worried by the final sentence of paragraph 46, which read, "whenever there is substantial evidence that the USSR is likely to develop the capability to knock out our atomic striking power, the entire policy of the United States toward the Soviet Union will have to be radically re-examined." Will we ever, inquired Admiral Strauss, be sure that we have substantial evidence of such a capability on the part of the USSR? Would we have time, in this contingency, to re-examine our entire policy? The answer to both these questions seemed to Admiral Strauss to be no, and he suggested therefore that the sentence be either omitted or radically revised.

The President said that of course we all recognize that Soviet military capabilities are constantly growing, and that these capabilities must be kept under continuous examination.

After further discussion, it was agreed to revise the sentence along the lines of the President's suggestion.

At this point, Dr. Burns suggested three revisions of paragraphs dealing with the internal threat to our security, and the paragraphs in question were modified in the light of the discussion.

Secretary Wilson offered an amendment to subparagraph c on page 10, with regard to what concessions the United States would be prepared to offer to obtain an adequate system of armament control.

The National Security Council: [5]

a. Adopted the statement of policy contained in NSC 162/1, subject to the following changes:

(1) *Page 5, subparagraph 9-a-(2):* In the 3rd line, change the word "or" to "and".

(2) *Page 10, subparagraph 14-c:* Delete the words "what concessions it would be prepared to offer"; and substitute therefor the words "on what basis the United States would be prepared to negotiate".

(3) *Page 11, subparagraph 15-b:* Delete the 3rd, 4th and 5th sentences and substitute therefor the following: "however, even though significant progress has been made in building up these forces, the military strength in Western Europe is presently not sufficient to prevent a full-scale Soviet attack from overrunning Western Europe. Even with the availability of those German forces presently planned within the framework of EDC, present rates of defense spending by European nations and present rates of U.S. Military Assistance certainly could not be expected to produce forces adequate to prevent the initial loss of a considerable portion of the territory of Western Europe in the event of a full-scale Soviet Attack. Therefore, since U.S. Military Assistance must eventually be reduced, it is essential that the Western European states, including West Germany, build and maintain maximum feasible defensive strength."

(4) *Page 16, paragraph 26:* Change the word "pre-determined" in the 2nd line to read "determined", and change the word "destructive" in the 5th line to read "repressive".

(5) *Page 18, subparagraph 33-a:* Change the beginning of the 2nd sentence to read, "the United States should not weaken its capacity for high productivity for defense, its free institutions," etc.

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[5] Paragraphs a-e constitute NSC Action No. 944. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

(6) *Page 20, subparagraph 35–a:* Delete from the 2nd sentence the concluding words "and cannot be furnished by the United States."

(7) *Page 23, subparagraph 40–c:* Re-word the first portion of the subparagraph to read as follows: "barring basic change in the world situation, the Federal Government should continue to make a determined effort to bring its total annual expenditures into balance", etc.

(8) *Page 24, subparagraph 42–d:* Delete the subparagraph and substitute therefor the following text and footnote: "The policy of the United States is to prevent Soviet aggression and continuing domination of other nations, and to establish an effective control of armaments under proper safeguards; but it is not to dictate the internal political and economic organization of the USSR.*"

"*This paragraph does not establish policy guidance for our propaganda or informational activities."

(9) *Page 25, paragraph 46:* Delete the 2nd sentence and substitute therefor the following: "therefore, there must be continuing examination and periodic report to the National Security Council in regard to the likelihood of such neutralization of U.S. retaliatory capability."

b. Noted the President's statement that if the Department of Defense hereafter finds that the provisions of subparagraph 9–a–(1), when read in the context of the total policy statement, operate to the disadvantage of the national security, the Secretary of Defense should bring this finding before the Council for reconsideration.

c. Noted that action should be promptly taken to conform existing arrangements regarding atomic weapons to subparagraph 39–b.

d. Noted that the policy in NSC 162/1 does not contemplate any fixed date for D-Day readiness.

e. Noted that the Planning Board would submit for Council consideration a revision of "U.S. Objectives vis-à-vis the USSR in the Event of War", as presently stated in the Annex, in the light of the provisions of NSC 162/1.

Note: NSC 162/1 as amended and approved by the President, subsequently issued as NSC 162/2. As basic policy, this paper was not referred for special coordination.

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S. EVERETT GLEASON

S/S-NSC files, lot 63 D 351, NSC 162

Report to the National Security Council by the Executive Secretary (Lay) [1]

TOP SECRET
NSC 162/2

WASHINGTON, October 30, 1953.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON BASIC NATIONAL SECURITY POLICY

References:

A. NSC 162 and NSC 162/1 [2]

B. NSC Action Nos. 853, 868, 886, 926 and 944 [3]

C. Memo for NSC from Executive Secretary, subject, "Review of Basic National Security Policy", dated October 28, 1953 [4]

D. NSC 153/1 [5]

E. Memo for NSC from Executive Secretary, subject, "Project Solarium", dated July 23, 1953 [6]

The National Security Council, the Secretary of the Treasury, the Attorney General, the Director, Bureau of the Budget, the Chairman, Council of Economic Advisers, and the Chairman, Atomic Energy Commission, at the 168th Council meeting on October 29, 1953, adopted the statement of policy contained in NSC 162/1 subject to the changes which are set forth in NSC Action No. 944-a.

In connection with this action the Council also noted:

a. The President's statement that if the Department of Defense hereafter finds that the provisions of subparagraph 9-a-(1), when read in the context of the total policy statement, operate to the disadvantage of the national security, the Secretary of Defense should bring this finding before the Council for reconsideration.

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[1] Copies to the Secretary of the Treasury; the Attorney General; the Directors of the Bureau of the Budget and Central Intelligence; the Chairmen of the Council of Economic Advisers, the Atomic Energy Commission, and the Joint Chiefs of Staff; and the Federal Civil Defense Administrator.

[2] For text of NSC 162, Sept. 30, see p. 489. NSC 162/1, Oct. 19, is not printed. (S/S-NSC files, lot 63 D 351, NSC 162)

[3] For NSC Action No. 853, see footnote 2, p. 396; for NSC Action No. 868, see footnote 6, p. 440. NSC Action No. 886, taken during the course of the 159th meeting of the NSC on Aug. 13, noted that the Council had received an oral report by C.D. Jackson with reference to several proposed specific actions under Project Solarium and that the Council had directed that the Psychological Strategy Board be authorized to assume responsibility for those specific actions. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action") For NSC Action No. 926, see footnote 9, p. 534; for NSC Action No. 944, see footnote 8, *supra*.

[4] See footnote 1, p. 562.

[5] Dated June 10, p. 378.

[6] Reference is to Lay's memorandum of July 22 on Project Solarium, p. 399.

b. That action should be promptly taken to conform existing arrangements regarding atomic weapons to subparagraph 39–b.

c. That the policy in NSC 162/1 does not contemplate any fixed date for D-Day readiness.

d. That the Planning Board would submit for Council consideration a revision of "U.S. Objectives vis-à-vis the USSR in the Event of War", as presently stated in the Annex, in the light of the provisions of NSC 162/1, as amended.

The President has this date approved the statement of policy contained in NSC 162/1, as amended and adopted by the Council and enclosed herewith, and directs its implementation by all appropriate executive departments and agencies of the U.S. Government. As basic policy, this paper has not been referred to any single department or agency for special coordination.

Accordingly, NSC 153/1 is hereby superseded.

It is requested that special security precautions be observed in the handling of the enclosure and that access to it be very strictly limited on an absolute need-to-know basis.

JAMES S. LAY, JR.

[Here follows a one-page table of contents.]

[Enclosure]

Statement of Policy by the National Security Council

TOP SECRET [WASHINGTON, undated.]

BASIC NATIONAL SECURITY POLICY

GENERAL CONSIDERATIONS

Basic Problems of National Security Policy

1. a. To meet the Soviet threat to U.S. security.

b. In doing so, to avoid seriously weakening the U.S. economy or undermining our fundamental values and institutions.

The Soviet Threat to the United States

2. The primary threat to the security, free institutions, and fundamental values of the United States is posed by the combination of:

a. Basic Soviet hostility to the non-communist world, particularly to the United States.

b. Great Soviet military power.

c. Soviet control of the international communist apparatus and other means of subversion or division of the free world.

3. a. The authority of the Soviet regime does not appear to have been impaired by the events since Stalin's death, or to be likely to be appreciably weakened during the next few years. The transfer of power may cause some uncertainty in Soviet and satellite tactics for some time, but will probably not impair the basic economic and military strength of the Soviet bloc. The Soviet rulers can be expected to continue to base their policy on the conviction of irreconcilable hostility between the bloc and the non-communist world. This conviction is the compound product of Marxist belief in their historically determined conflict with, and inevitable triumph over, "world capitalism" led by the United States, of fear for the security of the regime and the USSR, especially in the face of a hostile coalition, of distrust of U.S. aims and intentions, and of long-established reliance on techniques of conspiracy and subversion. Accordingly, the basic Soviet objectives continue to be consolidation and expansion of their own sphere of power and the eventual domination of the non-communist world.

b. Soviet strategy has been flexible and will probably continue so, allowing for retreats and delays as well as advances. The various "peace gestures" so far have cost the Soviets very little in actual concessions and could be merely designed to divide the West by raising false hopes and seeking to make the United States appear unyielding. It is possible, however, that the USSR, for internal and other reasons, may desire a settlement of specific issues or a relaxation of tensions and military preparations for a substantial period. Thus far, there are no convincing signs of readiness to make important concessions to this end.

4. a. The capability of the USSR to attack the United States with atomic weapons has been continuously growing and will be materially enhanced by hydrogen weapons. The USSR has sufficient bombs and aircraft, using one-way missions, to inflict serious damage on the United States, especially by surprise attack. The USSR soon may have the capability of dealing a crippling blow to our industrial base and our continued ability to prosecute a war. Effective defense could reduce the likelihood and intensity of a hostile attack but not eliminate the chance of a crippling blow.

b. The USSR now devotes about one-sixth of its gross national product to military outlays and is expected to continue this level. It has and will continue to have large conventional military forces capable of aggression against countries of the free world. Within the next two years, the Soviet bloc is not expected to increase the size of its forces, but will strengthen them with improved equipment and training and the larger atomic stockpile.

c. The Soviet bloc now has the capability of strong defense against air attack on critical targets within the USSR under favorable weather conditions, and is likely to continue to strengthen its all-weather air defenses.

5. a. The recent uprisings in East Germany [7] and the unrest in other European satellites evidence the failure of the Soviets fully to subjugate these peoples or to destroy their desire for freedom; the dependence of these satellite governments on Soviet armed forces; and the relative unreliability of satellite armed forces (especially if popular resistance in the satellites should increase). These events necessarily have placed internal and psychological strains upon the Soviet leadership. Nevertheless, the ability of the USSR to exercise effective control over, and to exploit the resources of, the European satellites has not been appreciably reduced and is not likely to be so long as the USSR maintains adequate military forces in the area.

b. The detachment of any major European satellite from the Soviet bloc does not now appear feasible except by Soviet acquiescence or by war. Such a detachment would not decisively affect the Soviet military capability either in delivery of weapons of mass destruction or in conventional forces, but would be a considerable blow to Soviet prestige and would impair in some degree Soviet conventional military capabilities in Europe.

c. The Chinese Communist regime is firmly in control and is unlikely to be shaken in the foreseeable future by domestic forces or rival regimes, short of the occurrence of a major war. The alliance between the regimes of Communist China and the USSR is based on common ideology and current community of interests. With the death of Stalin and the Korean truce, Communist China may tend more to emphasize its own interests, though limited by its present economic and military dependence on the USSR, and, in the long run, basic differences may strain or break the alliance. At present, however, it appears to be firmly established and adds strategic territory and vast reserves of military manpower to the Soviet bloc.

6. a. The USSR does not seem likely deliberately to launch a general war against the United States during the period covered by current estimates (through mid-1955). The uncertain prospects for Soviet victory in a general war, the change in leadership, satellite unrest, and the U.S. capability to retaliate massively, make such a course improbable. Similarly, an attack on NATO countries or other areas which would be almost certain to bring on general war in view of U.S. commitments or intentions would be unlikely. The Soviets will not, however, be deterred by fear of general war from

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[7] For documentation on the June 1953 disturbances in the German Democratic Republic, see volume VII.

taking the measures they consider necessary to counter Western actions which they view as a serious threat to their security.

b. When both the USSR and the United States reach a stage of atomic plenty and ample means of delivery, each will have the probable capacity to inflict critical damage on the other, but is not likely to be able to prevent major atomic retaliations. This could create a stalemate, with both sides reluctant to initiate general warfare; although if the Soviets believed that initial surprise held the prospect of destroying the capacity for retaliation, they might be tempted into attacking.

c. Although Soviet fear of atomic reaction should still inhibit local aggression, increasing Soviet atomic capability may tend to diminish the deterrent effect of U.S. atomic power against peripheral Soviet aggression. It may also sharpen the reaction of the USSR to what it considers provocative acts of the United States. If either side should miscalculate the strength of the other's reaction, such local conflicts could grow into general war, even though neither seeks nor desires it. To avoid this, it will in general be desirable for the United States to make clear to the USSR the kind of actions which will be almost certain to lead to this result, recognizing, however, that as general war becomes more devastating for both sides the threat to resort to it becomes less available as a sanction against local aggression.

7. The USSR will continue to rely heavily on tactics of division and subversion to weaken the free world alliances and will to resist the Soviet power. Using both the fear of atomic warfare and the hope of peace, such political warfare will seek to exploit differences among members of the free world, neutralist attitudes, and anti-colonial and nationalist sentiments in underdeveloped areas. For these purposes, communist parties and other cooperating elements will be used to manipulate opinion and control governments wherever possible. This aspect of the Soviet threat is likely to continue indefinitely and to grow in intensity.

8. Over time, changes in the outlook and policies of the leadership of the USSR may result from such factors as the slackening of revolutionary zeal, the growth of vested managerial and bureaucratic interests, and popular pressures for consumption goods. Such changes, combined with the growing strength of the free world and the failure to break its cohesion, and possible aggravation of weaknesses within the Soviet bloc through U.S. or allied action or otherwise, might induce a willingness to negotiate. The Soviet leadership might find it desirable and even essential to reach agreements acceptable to the United States and its allies, without necessarily abandoning its basic hostility to the non-Soviet world.

Defense Against the Soviet Threat

9. In the face of the Soviet threat, the security of the United States requires:

a. Development and maintenance of:

(1) A strong military posture, with emphasis on the capability of inflicting massive retaliatory damage by offensive striking power;
(2) U.S. and allied forces in readiness to move rapidly initially to counter aggression by Soviet bloc forces and to hold vital areas and lines of communication; and
(3) A mobilization base, and its protection against crippling damage, adequate to insure victory in the event of general war.

b. Maintenance of a sound, strong and growing economy, capable of providing through the operation of free institutions, the strength described in a above over the long pull and of rapidly and effectively changing to full mobilization.

c. Maintenance of morale and free institutions and the willingness of the U.S. people to support the measures necessary for national security.

10. In support of these basic security requirements, it is necessary that the United States:

a. Develop and maintain an intelligence system capable of:

(1) Collecting and analyzing indications of hostile intentions that would give maximum prior warning of possible aggression or subversion in any area of the world.
(2) Accurately evaluating the capabilities of foreign countries, friendly and neutral as well as enemy, to undertake military, political, economic, and subversive courses of action affecting U.S. security.
(3) Forecasting potential foreign developments having a bearing on U.S. national security.

b. Develop an adequate manpower program designed to:

(1) Expand scientific and technical training.
(2) Provide an equitable military training system.
(3) Strike a feasible balance between the needs of an expanding peacetime economy and defense requirements.
(4) Provide for an appropriate distribution of services and skills in the event of national emergency.

c. Conduct and foster scientific research and development so as to insure superiority in quantity and quality of weapons systems, with attendant continuing review of the level and composition of forces and of the industrial base required for adequate defense and for successful prosecution of general war.

d. Continue, for as long as necessary, a state of limited defense mobilization to develop military readiness by:

(1) Developing and maintaining production plant capacity, dispersed with a view to minimizing destruction by enemy attack and capable of rapid expansion or prompt conversion to essential wartime output.

(2) Creating and maintaining minimum essential reserve stocks of selected end-items, so located as to support promptly and effectively the war effort in areas of probable commitment until war production and shipping capacity reaches the required wartime levels.

(3) Maintaining stockpiling programs, and providing additional production facilities, for those materials the shortage of which would affect critically essential defense programs; meanwhile reducing the rates of other stockpile materials.

e. Provide reasonable internal security against covert attack, sabotage, subversion, and espionage, particularly against the clandestine introduction and detonation of atomic weapons.

11. Within the free world, only the United States can provide and maintain, for a period of years to come, the atomic capability to counterbalance Soviet atomic power. Thus, sufficient atomic weapons and effective means of delivery are indispensable for U.S. security. Moreover, in the face of Soviet atomic power, defense of the continental United States becomes vital to effective security: to protect our striking force, our mobilization base, and our people. Such atomic capability is also a major contribution to the security of our allies, as well as of this country.

12. The United States cannot, however, meet its defense needs, even at exorbitant cost, without the support of allies.

a. The effective use of U.S. strategic air power against the USSR will require overseas bases on foreign territory for some years to come. Such bases will continue indefinitely to be an important additional element of U.S. strategic air capability and to be essential to the conduct of the military operations on the Eurasian continent in case of general war. The availability of such bases and their use by the United States in case of need will depend, in most cases, on the consent and cooperation of the nations where they are located. Such nations will assume the risks entailed only if convinced that their own security will thereby be best served.

b. The United States needs to have aligned on its side in the world struggle, in peace and in war, the armed forces and economic resources and materials of the major highly-industrialized non-communist states. Progressive loss to the Soviet bloc of these states would so isolate the United States and alter the world balance as to endanger the capacity of the United States to win in the event of general war or to maintain an adequate defense without undermining its fundamental institutions.

c. U.S. strategy including the use of atomic weapons, therefore, can be successfully carried out only if our essential allies are convinced that it is conceived and will be implemented for the purpose of mutual security and defense against the Soviet threat. U.S. leadership in this regard, however, does not imply the necessity to meet all desires of our allies.

d. Our allies are, in turn, dependent on the United States for their security: (1) they lack that atomic capability which is the major deterrent to Soviet aggression; (2) most lack political and economic stability sufficient to support their military forces. The United States should be able for the foreseeable future to provide military aid, in more limited amounts than heretofore, to our essential allies. It should be possible in the near future, however, generally to eliminate most grant economic aid, if coupled with appropriate U.S. economic and trade policies.

13. a. Under existing treaties or policies, an attack on the NATO countries, Western Germany, Berlin, Japan, the Philippines, Australia, New Zealand, and the American Republics, or on the Republic of Korea, would involve the United States in war with the USSR, or at least with Communist China if the aggression were Chinese alone.

b. Certain other countries, such as Indo-China or Formosa, are of such strategic importance to the United States that an attack on them probably would compel the United States to react with military force either locally at the point of attack or generally against the military power of the aggressor. Moreover, the principle of collective security through the United Nations, if it is to continue to survive as a deterrent to continued piecemeal aggression and a promise of an eventual effective world security system, should be upheld even in areas not of vital strategic importance.

c. The assumption by the United States, as the leader of the free world, of a substantial degree of responsibility for the freedom and security of the free nations is a direct and essential contribution to the maintenance of its own freedom and security.

14. a. The United States should keep open the possibility of settlements with the USSR, compatible with basic U.S. security interests, which would resolve specific conflicts or reduce the magnitude of the Soviet threat. Moreover, to maintain the continued support of its allies, the United States must seek to convince them of its desire to reach such settlements. But, in doing so, we must not allow the possibility of such settlements to delay or reduce efforts to develop and maintain adequate free world strength, and thus enable the Soviets to increase their relative strength.

b. It must be recognized, however, that the prospects for acceptable negotiated settlements are not encouraging. There is no evidence that the Soviet leadership is prepared to modify its basic attitudes and accept any permanent settlement with the United States, although it may be prepared for a *modus vivendi* on certain issues. Atomic and other major weapons can be controlled only by adequate and enforceable safeguards which would involve some form of international inspection and supervision. Acceptance of such serious restrictions by either side would be extremely difficult under existing conditions of suspicion and distrust. The chances for such disarmament would perhaps be improved by agreements on other conflicts either beforehand or at the same time, or by possible realization by the Soviets, in time, that armament limitation will serve their own interests and security.

c. The United States should promptly determine what it would accept as an adequate system of armament control which would effectively remove or reduce the Soviet atomic and military threat, and on what basis the United States would be prepared to negotiate to obtain it.

Present State of the Coalition *

15. a. The effort of the United States, especially since 1950, to build up the strength, cohesion and common determination of the free world has succeeded in increasing its relative strength and may well have prevented overt military aggression since Korea.

b. In Western Europe the build-up of military strength and the progress of economic recovery has, at least partially, remedied a situation of glaring weakness in a vital area. NATO and associated forces are now sufficient to make aggressive action in Europe costly for the USSR and to create a greater feeling of confidence and security among the Western European peoples. However, even though significant progress has been made in building up these forces, the military strength in Western Europe is presently not sufficient to prevent a full-scale Soviet attack from overrunning Western Europe. Even with the availability of those German forces presently planned within the framework of EDC, present rates of defense spending by European Nations and present rates of U.S. Military Assistance certainly could not be expected to produce forces adequate to prevent the initial loss of a considerable portion of the territory of Western Europe in the event of a full-scale Soviet attack. Therefore, since U.S. Military Assistance must eventually be reduced, it is essential that the Western European states, including West Germany, build and maintain maximum feasible defensive strength. The major deterrent to aggression against Western Europe is the manifest determination of the United States to use its atomic capability and massive retaliatory striking power if the area is attacked. However, the presence of U.S. forces in

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* The term "coalition" refers to those states which are parties to the network of security treaties and regional alliances of which the United States is a member (NATO, OAS, ANZUS, Japan, etc.), or are otherwise actively associated in the defense of the free world. [Footnote in the source text.]

Western Europe makes a contribution other than military to the strength and cohesion of the free world coalition.

c. In the Far East, the military strength of the coalition now rests largely on U.S. military power plus that of France in Indochina, the UK in Malaya and Hong Kong, and the indigenous forces of the Republic of Korea, Vietnam, and Nationalist China. Any material increase will require the revival of the economic and military strength of Japan.

d. The strength and cohesion of the coalition depends, and will continue to depend, on the continuing strength and will of the United States as its leader, and upon the assumption by each coalition member of a proper share of responsibility.

16. While the coalition is founded on common interest and remains basically sound, certain factors tend to weaken its cohesion and to slow down the necessary build-up of strength.

a. Some of these factors are inherent in the nature of a coalition led by one strong power. The economic and military recovery by our NATO allies from their low point of a few years ago, and the revival of Germany and Japan, has given them a greater sense of independence from U.S. guidance and direction. Specific sources of irritation are trade with the Soviet bloc, the level of the defense effort, use of bases and other facilities, and the prospect of discontinuance of U.S. economic aid without a corresponding change in U.S. trade policies.

b. The coalition also suffers from certain other weaknesses and dilemmas. A major weakness is the instability of the governments of certain NATO partners, such as Italy and France. The colonial issue in Asia and Africa, for example, has not only weakened our European allies but has left those areas in a state of ferment which weakens the whole free world. Efforts by the United States to encourage orderly settlements tend to leave both sides dissatisfied and to create friction within the alliance. Age-old issues such as divide France and Germany, or Italy and Yugoslavia, still impede creation of a solid basis of cooperation against the Soviet threat.

c. Moreover, allied opinion, especially in Europe, has become less willing to follow U.S. leadership. Many Europeans fear that American policies, particularly in the Far East, may involve Europe in general war, or will indefinitely prolong cold-war tensions. Many consider U.S. attitudes toward the Soviets as too rigid and unyielding and, at the same time, as unstable, holding risks ranging from preventive war and "liberation" to withdrawal into isolation. Many consider that these policies fail to reflect the perspective and confidence expected in the leadership of a great nation, and reflect too great a preoccupation with anti-communism. Important sectors of allied opinion are also concerned over developments within the United States which seem to them inconsistent with our assumed role of leader in the cause of freedom. These allied attitudes materially impair cooperation and, if not overcome, could imperil the coalition.

d. Fear of what a general war will mean for them is deeply rooted and widespread among our allies. They tend to see the actual danger of Soviet aggression as less imminent than the United States does, and some have a fatalistic feeling that if it is coming they will not be able to do much about it. In the NATO countries, many have serious doubts whether the defense requirements can be met without intolerable political and economic strains. Certain of our allies fear the rearmament of Germany and Japan on any large scale, and in Germany and Japan themselves strong currents of opinion oppose it as unnecessary or dangerous. Moreover, in certain countries, particularly France and Italy, grave domestic problems have called into question not only the authority of the governments, but also the basic foreign policies and alignments which they have followed. All these factors lead to allied pressure in favor of new major efforts to negotiate with the USSR, as the only hope of ending the present tension, fear and frustration. This pressure has increased with recent "peace gestures" of the new Soviet leadership, which has made every endeavor to exploit it. Whether these hopes are illusory or well-founded, they must be taken into consideration by the United States.

The Uncommitted Areas of the World

17. Despite the Soviet threat, many nations and societies outside the Soviet bloc, mostly in the underdeveloped areas, are so unsure of their national interests, or so preoccupied with other pressing problems, that they are presently unwilling to align themselves actively with the United States and its allies. Although largely undeveloped, their vast manpower, their essential raw materials and their potential for growth are such that their absorption within the Soviet system would greatly, perhaps decisively, alter the world balance of power to our detriment. Conversely, their orderly development into more stable and responsible nations, able and willing to participate in defense of the free world, can increasingly add to its strength.

18. In many of these uncommitted areas, forces of unrest and of resentment against the West are strong. Among these sources are racial feelings, anti-colonialism, rising nationalism, popular demand for rapid social and economic progress, over-population, the breakdown of static social patterns, and, in many cases, the conflict of local religious and social philosophies with those of the West. The general unreliability of the governments of these states and the volatility of their political life complicate the task of building firm ties with them, of counteracting neutralism and, where appropriate and feasible, of responding to requests for assistance in solving their problems. Outside economic assistance alone cannot be counted on either to solve their basic problems or to win their cooperation and support. Constructive political and other measures

will be required to create a sense of mutuality of interest with the free world and to counter the communist appeals.

U.S. Ability to Support Security Expenditures

19. The United States must maintain a sound economy based on free private enterprise as a basis both for high defense productivity and for the maintenance of its living standards and free institutions. Not only the world position of the United States, but the security of the whole free world, is dependent on the avoidance of recession and on the long-term expansion of the U.S. economy. Threats to its stability or growth, therefore, constitute a danger to the security of the United States and of the coalition which it leads. Expenditures for national security, in fact all federal, state and local governmental expenditures, must be carefully scrutinized with a view to measuring their impact on the national economy.

20. The economy of the country has a potential for long-term economic growth. Over the years an expanding national income can provide the basis for higher standards of living and for a substantial military program. But economic growth is not automatic and requires fiscal and other policies which will foster and not hamper the potential for long-term growth and which will operate to reduce cyclical fluctuations.

21. Excessive government spending leads to inflationary deficits or to repressive taxation, or to both. Persistent inflation is a barrier to long-term growth because it undermines confidence in the currency, reduces savings, and makes restrictive economic controls necessary. Repressive taxation weakens the incentives for efficiency, effort, and investment on which economic growth depends.

22. In spite of the reimposition of tax rates at approximately the peak levels of World War II, expenditures have risen faster than tax receipts, with a resulting deficit of $9.4 billion in fiscal year 1953. Despite anticipated larger receipts, without the imposition of new taxes, and assuming substantially unchanged world conditions, a deficit of $3.8 billion is estimated for fiscal year 1954.

23. a. Under existing law, tax reductions of $5 billion a year will become effective next January. A proposal to impose substitute taxes therefor would be a reversal of policy.

b. Additional revenue losses of $3 billion a year are due to occur on April 1, 1954. Congress has not acted on the President's recommendation that these reductions be rescinded. Even if the $3 billion reduction is rescinded, or offset by revenue from new sources, large deficits would occur in FY 1955 and FY 1956 at present levels of expenditures.

c. The economic problem is made more difficult by the need to reform the tax system in the interests of long-term economic growth. Inevitably, many of the changes necessary to reduce the barriers to growth will lead to a loss of revenue in the years immediately following their adoption.

24. Any additional revenue will have to be secured by new taxation on a broad base.

25. The present high level of the Government debt further complicates the financial and economic problems of the country. Substantial additional borrowing could come only from sources which would be inflationary.

26. There is no precise level or duration of government expenditures which can be determined in advance, at which an economic system will be seriously damaged from inflationary borrowing on the one hand or from repressive taxation on the other. The higher the level of expenditures, the greater is the need for sound policies and the greater are the dangers of miscalculations and mischance. These dangers are now substantial.

27. The requirements for funds to maintain our national security must thus be considered in the light of these dangers to our economic system, including the danger to industrial productivity necessary to support military programs, arising from excessive levels of total Government spending, taxing and borrowing.

28. Modification of the foregoing fiscal policies to promote long-term growth may be necessitated for a limited period: (1) to deal with short-term cyclical problems or (2) to achieve overriding national objectives that justify departure from sound fiscal policies.

The Situation as to U.S. Manpower

29. a. The national security programs of the United States rest upon the manpower to operate them, the economy to produce the material for them, and the financial resources to pay for them.

b. The qualified manpower annually coming of military age is adequate to carry out our existing military programs. However, the continuing development of more complicated weapons, machines, and devices used by the military greatly increases the need for military manpower possessed of higher skills, and for their better utilization, and emphasizes the need for expanded technical training and retention of technically trained personnel.

c. Any considerable increase in the need for military manpower would require consideration of:

(1) Broadening the present criteria governing draft eligibility.

(2) Broadening the physical requirements for enlistment, particularly to secure technicians.

(3) Extension of the average length of military service, including increased incentives for re-enlistment.

(4) Increased recruitment of long-term volunteers and of women.

(5) Greater use of civilians for technical maintenance work.

(6) Leadership to develop a national response to increased needs, including steps to make military service a matter of patriotic pride and to increase the attractiveness of a military career.

d. Any decisions on these matters should be made in the light of a comprehensive study, to be submitted to the President by the Office of Defense Mobilization by December 1, on manpower availability under varying assumptions as to the degree and nature of mobilization requirements.

Morale

30. Support for the necessary security programs, based upon a sound productive system, is ultimately dependent also upon the soundness of the national morale and the political willingness of the country to support a government which it feels is holding the proper balance between the necessary sacrifices and the necessary defense. Accordingly, the American people must be informed of the nature of the Soviet-Communist threat, in particular the danger inherent in the increasing Soviet atomic capability; of the basic community of interest among the nations of the free world; and of the need for mobilizing the spiritual and material resources necessary to meet the Soviet threat.

POLICY CONCLUSIONS

Basic Problems of National Security Policy

31. a. To meet the Soviet threat to U.S. security.

b. In doing so, to avoid seriously weakening the U.S. economy or undermining our fundamental values and institutions.

Nature of the Soviet Threat

32. a. With increasing atomic power, the Soviets have a mounting capability of inflicting very serious and possibly crippling damage on the United States. The USSR will also continue to have large military forces capable of aggressive action against countries of the free world. Present estimates are, however, that the USSR will not deliberately initiate general war during the next several years, although general war might result from miscalculation. In the absence of general war, a prolonged period of tension may ensue, during which each side increases its armaments, reaches atomic plenty and seeks to improve its relative power position.

b. In any case, the Soviets will continue to seek to divide and weaken the free world coalition, to absorb or win the allegiance of the presently uncommitted areas of the world, and to isolate the United States, using cold war tactics and the communist apparatus. Their capacity for political warfare against the United States as well as its allies will be enhanced by their increased atomic capability.

33. a. A sound, strong, and growing U.S. economy is necessary to support over the long pull a satisfactory posture of defense in the free world and a U.S. capability rapidly and effectively to change to full mobilization. The United States should not weaken its capacity for high productivity for defense, its free institutions, and the incentives on which its long-term economic growth depends.

b. A recession in the level of U.S. economic activity could seriously prejudice the security of the free world.

Defense Against Soviet Power and Action

34. In the face of these threats, the United States must develop and maintain, at the lowest feasible cost, requisite military and nonmilitary strength to deter and, if necessary, to counter Soviet military aggression against the United States or other areas vital to its security.

a. The risk of Soviet aggression will be minimized by maintaining a strong security posture, with emphasis on adequate offensive retaliatory strength and defensive strength. This must be based on massive atomic capability, including necessary bases; an integrated and effective continental defense system; ready forces of the United States and its allies suitably deployed and adequate to deter or initially to counter aggression, and to discharge required initial tasks in the event of general war; and an adequate mobilization base; all supported by the determined spirit of the U.S. people.

b. This strong security posture must also be supported by an effective U.S. intelligence system, an adequate manpower program, superior scientific research and development, a program of limited defense mobilization, reasonable internal security, and an informed American people.

c. Such a strong security posture is essential to counter the Soviet divisive tactics and hold together the coalition. If our allies were uncertain about our ability or will to counter Soviet aggression, they would be strongly tempted to adopt a neutralist position, especially in the face of the atomic threat.

35. In the interest of its own security, the United States must have the support of allies.

a. The military striking power necessary to retaliate depends for the foreseeable future on having bases in allied countries. Furthermore, the ground forces required to counter local aggressions must be supplied largely by our allies.

b. The loss of major allies by subversion, divisive tactics, or the growth of neutralist attitudes, would seriously affect the security of the United States.

36. United States policies must, therefore, be designed to retain the cooperation of our allies, to seek to win the friendship and co-

operation of the presently uncommitted areas of the world, and thereby to strengthen the cohesion of the free world.

a. Our allies must be genuinely convinced that our strategy is one of collective security. The alliance must be rooted in a strong feeling of a community of interest and firm confidence in the steadiness and wisdom of U.S. leadership.

b. Cooperative efforts, including equitable contributions by our allies, will continue to be necessary to build the military, economic and political strength of the coalition and the stability of the free world.

c. Constructive U.S. policies, not related solely to anti-communism, are needed to persuade uncommitted countries that their best interests lie in greater cooperation and stronger affiliations with the rest of the free world.

d. To enhance the capacity of free world nations for self-support and defense, and to reduce progressively their need for U.S. aid, the United States should assist in stimulating international trade, freer access to markets and raw materials, and the healthy growth of underdeveloped areas. In this connection, it should consider a modification of its tariff and trade policies.

e. In subsequent fiscal years economic grant aid and loans by the United States to other nations of the free world should be based on the best interests of the United States.

37. a. In Western Europe, a position of strength must be based mainly on British, French, and German cooperation in the defense of the continent. To achieve a stronger Europe, the United States should support, as long as there is hope of early success, the building of an integrated European Community (including West Germany and if possible a united Germany), linked to the United States through NATO. The United States should press for a strong, united stable Germany, oriented to the free world and militarily capable of overcoming internal subversion and disorder and also of taking a major part in the collective defense of the free world against aggression. The United States must continue to assist in creating and maintaining mutually agreed European forces, but should reduce such assistance as rapidly as United States interests permit.

b. In the Far East, strength must be built on existing bilateral and multilateral security arrangements until more comprehensive regional arrangements become feasible. The United States should stress assistance in developing Japan as a major element of strength. The United States should maintain the security of the offshore island chain and continue to develop the defensive capacity of Korea and Southeast Asia in accordance with existing commitments.

c. In the Middle East, a strong regional grouping is not now feasible. In order to assure during peace time for the United States and its allies the resources (especially oil) and the strategic positions of the area and their denial to the Soviet bloc, the United States should build on Turkey, Pakistan and, if possible, Iran, and assist in achieving stability in the Middle East by political actions and limited military and economic assistance, and technical assistance, to other countries in the area.

d. In other areas of the free world the United States should furnish limited military aid, and limited technical and economic assistance, to other free nations, according to the calculated advantage of such aid to the U.S. world position.

38. a. As presently deployed in support of our commitments, the armed forces of the United States are over-extended, thereby depriving us of mobility and initiative for future military action in defense of the free world.

b. Under present conditions, however, any major withdrawal of U.S. forces from Europe or the Far East would be interpreted as a diminution of U.S. interest in the defense of these areas and would seriously undermine the strength and cohesion of the coalition.

c. Our diplomacy must concentrate upon clarifying to our allies in parts of the world not gripped by war conditions that the best defense of the free world rests upon a deployment of U.S. forces which permits initiative, flexibility and support; upon our political commitment to strike back hard directly against any aggressor who attacks such allies; and upon such allies' own indigenous security efforts.

39. a. In specific situations where a warning appears desirable and feasible as an added deterrent, the United States should make clear to the USSR and Communist China, in general terms or with reference to specific areas as the situation requires, its intention to react with military force against any aggression by Soviet bloc armed forces.

b. (1) In the event of hostilities, the United States will consider nuclear weapons to be as available for use as other munitions. Where the consent of an ally is required for the use of these weapons from U.S. bases on the territory of such ally, the United States should promptly obtain the advance consent of such ally for such use. The United States should also seek, as and when feasible, the understanding and approval of this policy by free nations.

(2) This policy should not be made public without further consideration by the National Security Council.

Defense Against the Threat to the U.S. Economy and Institutions

40. a. A strong, healthy and expanding U.S. economy is essential to the security and stability of the free world. In the interest of both the United States and its allies, it is vital that the support of defense expenditures should not seriously impair the basic sound-

ness of the U.S. economy by undermining incentives or by inflation.

b. The United States must, however, meet the necessary costs of the policies essential for its security. The actual level of such costs cannot be estimated until further study, but should be kept to the minimum consistent with the carrying out of these policies.

c. Barring basic change in the world situation, the Federal Government should continue to make a determined effort to bring its total annual expenditures into balance, or into substantial balance with its total annual revenues and should maintain over-all credit and fiscal policies designed to assist in stabilizing the economy.

d. Every effort should be made to eliminate waste, duplication, and unnecessary overhead in the Federal Government, and to minimize Federal expenditures for programs that are not essential to the national security.

e. The United States should seek to maintain a higher and expanding rate of economic activity at relatively stable price levels.

f. The economic potential of private enterprise should be maximized by minimizing governmental controls and regulations, and by encouraging private enterprise to develop natural and technological resources (e.g. nuclear power).

41. To support the necessarily heavy burdens for national security, the morale of the citizens of the United States must be based both on responsibility and freedom for the individual. The dangers from Soviet subversion and espionage require strong and effective security measures. Eternal vigilance, however, is needed in their exercise to prevent the intimidation of free criticism. It is essential that necessary measures of protection should not be so used as to destroy the national unity based on freedom, not on fear.

Reduction of the Soviet Threat

42. a. The United States must seek to improve the power position of itself and the rest of the free world in relation to the Soviet bloc.

b. The United States must also keep open the possibility of negotiating with the USSR and Communist China acceptable and enforceable agreements, whether limited to individual issues now outstanding or involving a general settlement of major issues, including control of armaments.

c. The willingness of the Soviet leadership to negotiate acceptable settlements, without necessarily abandoning hostility to the non-Soviet world, may tend to increase over time, if the United States and its allies develop and increase their own strength, determination and cohesion, maintain retaliatory power sufficient to insure unacceptable damage to the Soviet system should the USSR resort to general war, and prove that the free world can prosper despite Soviet pressures, or if for any reason Soviet stability and influence are reduced.

d. The policy of the United States is to prevent Soviet aggression and continuing domination of other nations, and to establish an effective control of armaments under proper safeguards; but is not to dictate the internal political and economic organization of the USSR.†

43. As a means of reducing Soviet capabilities for extending control and influence in the free world, the United States should:

a. Take overt and covert measures to discredit Soviet prestige and ideology as effective instruments of Soviet power, and to reduce the strength of communist parties and other pro-Soviet elements.

b. Take all feasible diplomatic, political, economic and covert measures to counter any threat of a party or individuals directly or indirectly responsive to Soviet control to achieve dominant power in a free world country.

c. Undertake selective, positive actions to eliminate Soviet-Communist control over any areas of the free world.

44. a. Measures to impose pressures on the Soviet bloc should take into account the desirability of creating conditions which will induce the Soviet leadership to be more receptive to acceptable negotiated settlements.

b. Accordingly, the United States should take feasible political, economic, propaganda and covert measures designed to create and exploit troublesome problems for the USSR, impair Soviet relations with Communist China, complicate control in the satellites, and retard the growth of the military and economic potential of the Soviet bloc.

45. In the face of the developing Soviet threat, the broad aim of U.S. security policies must be to create, prior to the achievement of mutual atomic plenty, conditions under which the United States and the free world coalition are prepared to meet the Soviet-Communist threat with resolution and to negotiate for its alleviation under proper safeguards. The United States and its allies must always seek to create and sustain the hope and confidence of the free world in the ability of its basic ideas and institutions not merely to oppose the communist threat, but to provide a way of life superior to Communism.

46. The foregoing conclusions are valid only so long as the United States maintains a retaliatory capability that cannot be neutralized by a surprise Soviet attack. Therefore, there must be

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† This paragraph does not establish policy guidance for our propaganda or informational activities. [Footnote in the source text.]

continuing examination and periodic report to the National Security Council in regard to the likelihood of such neutralization of U.S. retaliatory capability.

Annex

U.S. OBJECTIVES VIS-À-VIS THE USSR IN THE EVENT OF WAR

(The following paragraphs are taken verbatim from NSC 20/4, approved in November, 1948.[8] They also formed an annex to NSC 153/1, approved in June, 1953. This subject is currently under review by the NSC Planning Board.)

1. In the event of war with the USSR we should endeavor by successful military and other operations to create conditions which would permit satisfactory accomplishment of U.S. objectives without a predetermined requirement for unconditional surrender. War aims supplemental to our peace-time aims should include:

a. Eliminating Soviet Russian domination in areas outside the borders of any Russian state allowed to exist after the war.

b. Destroying the structure of relationships by which leaders of the All-Union Communist Party have been able to exert moral and disciplinary authority over individual citizens, or groups of citizens, in countries not under communist control.

c. Assuring that any regime or regimes which may exist on traditional Russian territory in the aftermath of a war:

(1) Do not have sufficient military power to wage aggressive war.

(2) Impose nothing resembling the present iron curtain over contacts with the outside world.

d. In addition, if any Bolshevik regime is left in any part of the Soviet Union, insuring that it does not control enough of the military-industrial potential of the Soviet Union to enable it to wage war on comparable terms with any other regime or regimes which may exist on traditional Russian territory.

e. Seeking to create postwar conditions which will:

(1) Prevent the development of power relationships dangerous to the security of the United States and international peace.

(2) Be conducive to the successful development of an effective world organization based upon the purposes and principles of the United Nations.

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[8] For the text of NSC 20/4, "U.S. Objectives With Respect to the USSR To Counter Soviet Threats to U.S. Security," Nov. 23, 1948, see *Foreign Relations*, 1948, vol. I, Part 2, p. 662.

(3) Permit the earliest practicable discontinuance within the United States of wartime controls.

2. In pursuing the above war aims, we should avoid making irrevocable or premature decisions or commitments respecting border rearrangements, administration of government within enemy territory, independence for national minorities, or post-war responsibility for the readjustment of the inevitable political, economic, and social dislocations resulting from the war. [9]

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[9] In a memorandum to the Secretary of State on Dec. 14, Lay noted that the President had directed that the departments and agencies responsible for the several national security programs prepare semiannual reports on the status of those programs pursuant to NSC 162/2, and Lay accordingly requested that the Department of State in consultation with other departments and agencies submit such a report by Feb. 1, 1954, along lines suggested in NSC 161. A copy of Lay's Dec. 14 memorandum is in file 103.1/12-1453.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum for the Record by the President

TOP SECRET [WASHINGTON,] November 11, 1953.

I have just had a meeting (4:00 to 6:00 p. m.) with Secretary Dulles, Secretary Humphrey, and Secretary Wilson. Problem: How to provide necessary security and still reduce the Defense budget for '55.

Statement by Secretary Dulles:

He believes that we *should begin to withdraw ground troops from Korea*. This for the reason that we should show confidence in our air and naval strength; and should avoid ground deployments in Asia. (If this were done, we could afford substantial reduction in Army active strength.) Dulles stated that a week or more ago General Hull recommended that we *initiate*, now, the withdrawal of American ground troops from Korea. (No one else at the conference knew anything about this recommendation.)

It was agreed that:

a. In view of the above and the conviction that some of our service and support units in Europe could be somewhat skeletonized, the Army's recommendation for 1,500,000 individuals in '55 would *not*, in the absence of some marked change in the international situation, be approved.
b. It was agreed that the dependence that we are placing on new weapons would justify completely some reduction in conventional forces—that is, both ground troops and certain parts of the Navy.

In any event, the conclusion of the conference was that we should move towards a reduction in personnel in the armed services, especially Army and possibly Navy. This may mean, very soon, some reduction of the actual numbers of divisions in Korea. In Europe and in the United States it was felt that we should, in all services, effect some savings in number of individuals, especially in overhead and supporting units. The reduction of divisions in Europe should be constantly studied; but the State Department is to explore matter with Allies.

D.D.E.

PPS files, lot 64 D 563, "NSC 153-162, Sept-Dec, 1953"

Memorandum by W. Barton Leach of the Office of the Chief of Staff, United States Air Force, to the Director of the Policy Planning Staff (Bowie) [1]

TOP SECRET WASHINGTON, November 18, 1953.

Some question has been raised as to the interpretation of certain paragraphs of NSC 162/2 [2] dealing with our capabilities in Western Europe, the function of our forces there, and future developments as to U.S. forces in that area. The questions arise in paragraphs 15 and 34.

The first interpretation is this: Neither the forces we now have nor any forces we are likely to put there, together with NATO forces, can be expected to defend successfully the land areas of the NATO allies if the Soviet Union makes an all-out invasion of Western Europe. The function of U.S. forces in Western Europe is the same as that of the U.S. forces in Berlin—a political function, assuring both friend and enemy that any attack on that area automatically produces a war to the death with the U.S. Our present deployment in Europe is excessive and should be reduced, since the forces necessary to provide requisite assurance to friend and enemy are less than those now deployed. U.S. ability to sustain the Free World is strengthened by withdrawing forces from exposed salients on the periphery and retaining them in positions from which flexibility of use can be assured. It is the job of the State Department to make palatable to NATO the withdrawal of some U.S. forces now in Europe, even though it is recognized that at the present time such withdrawal would be very unpalatable indeed.

The second interpretation is this: The mission of U.S. forces in Europe is to assist in giving to Europe the capability of defending the land area of the NATO allies. U.S. forces in Europe are not now capable of performing that mission. Therefore U.S. forces not only should not be withdrawn from Europe, but should be strengthened. Western Europe is a critical area which the U.S. must defend. Any reference to withdrawal of peripheral forces does not include U.S. contributions to NATO in Western Europe.

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[1] This memorandum was transmitted to Bowie by Leach with the following note of Nov. 18: "Dear Bob: I enclose a memorandum on the subject about which I spoke to you this morning."

[2] Dated Oct. 30, p. 577.

This conflict of interpretation exists. It is desirable that it should be resolved if effective planning is to take place in the Department of Defense. There is a real possibility that forces and strategy will be determined by compromising the concept—i.e. "agreeing" upon forces that are half-way between those that are necessary under the first interpretation and those that are necessary under the second.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 171st Meeting of the National Security Council, Thursday, November 19, 1953 [1]

[Extracts]

TOP SECRET EYES ONLY

Present at the 171st meeting of the Council were the President of the United States, presiding; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. The Vice President did not attend because of his absence from the country. Also present at the meeting were the Secretary of the Treasury; the Acting Director, Bureau of the Budget; the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Huntington Sheldon, Central Intelligence Agency (for Item 1); The Assistant to the President; the Deputy Assistant to the President; Robert Cutler, Special Assistant to the President; the Acting White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the chief points taken.

. . . .

3. *Interim Defense Mobilization Planning Assumptions* (NSC 172) [2]

In introducing this report, Mr. Cutler outlined the reasons why Mr. Flemming had desired the National Security Council to en-

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[1] Drafted by Deputy Executive Secretary Gleason on Nov. 20.

[2] NSC 172, Report to the National Security Council on Interim Defense Mobilization Planning Assumptions, Nov. 13, is not printed. (S/S-NSC files, lot 63 D 351, NSC 172 Series) NSC 172 was based upon two earlier draft papers on interim de-

Continued

dorse the assumptions, and the considerable difficulties which the Planning Board had encountered in framing them. Specifically, he pointed out that it had been impossible to agree in the Planning Board on the wording of the third assumption, dealing with the probable length of a future global war. He also pointed out the Planning Board's view that if the Council adopted these assumptions as a basis for detailed ODM mobilization plans, such detailed plans would themselves be subject to subsequent review. Lastly, Mr. Cutler pointed out the view of the Joint Chiefs of Staff that final action on the present report should not be taken at this meeting. On the other hand, if no action were taken, Mr. Flemming would have to fall back on prior sets of assumptions which presumably had even less validity than those now set forth.

Mr. Flemming then expressed appreciation for the contribution made by the Planning Board in its formulation of these assumptions. He also indicated awareness of the difficulty of fixing now on long-term assumptions, and agreed that the assumptions set forth in the present report should be considered as interim in character. Nevertheless, since some kind of guidance was now essential for the ODM, he expressed the hope that the Council would adopt the present assumptions as guidance to the ODM in the formulation of its plans and programs.

Secretary Wilson pointed out that the Joint Chiefs of Staff were at the moment engaged in a reappraisal of U.S. military strategy. Accordingly, the mobilization assumptions could hardly be valid until this reappraisal was completed. For that reason he wished to go on record as supporting the suggestion of the JCS that the Council postpone action on the present report.

While Secretary Humphrey expressed agreement with Secretary Wilson, Mr. Flemming, although quite prepared to revise these assumptions when the Joint Chiefs had completed their new strategic plan, insisted that in the meantime he must have reasonable assumptions which would enable him to get his programs in shape to take before the Congress when it met in January.

The President suggested that greater progress might be made if the Council addressed itself to the specific assumptions in the report and particularly those which appeared to involve a disagreement.

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fense mobilization assumptions. The first, prepared by the NSC Planning Board Assistants on the basis of an Office of Defense Mobilization initial draft of Sept. 24 is dated Nov. 2. The second, dated Nov. 4, is a revision of the Nov. 2 draft by the NSC Planning Board. (S/P-NSC files, lot 62 D 1, "Defense Mobilization Planning") No record of the Sept. 24 draft has been found in Department of State files. NSC 172/1 is printed *infra*.

Mr. Cutler reiterated that the chief disagreement related to paragraph 3, which assumed that if global war broke out it would last four years or a period up to four years.

The President agreed that it was of course very difficult to make even an educated guess as to how long such a war would last, and that it was also desirable to look at this question again after the Joint Chiefs had completed their job. Meanwhile, however, he could perceive no particular objection to the assumption that such a global war would last "up to four years".

Secretary Humphrey replied that the trouble lay in the length of time, since the longer we assume the war will last the more we will be inclined to spend in order to prepare for its prosecution.

The President took issue on this point with Secretary Humphrey, and said that it was quite possible that the most expensive war to prepare for was the one which would last only a few months, because in that case you would have to have everything in readiness in advance of the war to assure its successful prosecution. He certainly didn't want Arthur Flemming to spend $300 million on stockpiling some material or other if $50 million would do the job.

Mr. Flemming illustrated the President's generalization by reference to the stockpiling program, and also pointed out that prior acts of assumptions with regard to the length and character of a global war involving the United States had never taken account adequately of the massive damage which this country might suffer from an enemy atomic attack. For this reason if for no other, it was desirable to have the Council act on the present assumptions rather than to compel him by default to fall back on earlier and more unrealistic assumptions.

While the President took no issue on this point, he did indicate his hope that the Council, in dealing with the problem of the character and duration of the war, would take into consideration the blow which our own atomic capability could deliver against the enemy. As he had pointed out before, said the President, our estimates of the enemy's capabilities always tend to overlook what the United States was capable of doing to the enemy. From this point the President launched into a discussion of the stake of the civilian in the economy of the United States in the event of another global war. He expressed himself as convinced that American civilians would undergo a regime of austerity unprecedented in their history. He was certain, for example, that in order to solve our manpower problems it would be necessary to conscript women. That was a subject about which many people had views, but very few were willing to express them publicly, owing to the political repercussions.

With respect to paragraph 3, Secretary Dulles offered the opinion that as drafted the language suggested that it was possible to make a scientific estimate with regard to the length of the war. Of course, no such scientific estimate was possible, and Secretary Dulles thought the difficulty could be overcome if paragraph 3 were introduced by a statement indicating that you were merely suggesting four years of war as a means of planning for stockpiles. Indeed, continued Secretary Dulles, he was not at all sure that a future war, in which we were ranged against both the USSR and Communist China, would not last for even ten years. It could end up with such complete political disintegration of the world as to make a stable peace impossible.

Secretary Humphrey expressed the view that paragraph 3 did not actually constitute an attempt to estimate how long a future global war would last. It was, rather, an estimate as to how long a war we should be prepared to plan. Could anyone, he asked, guess what we would be in a position to do at the conclusion of two years of global war in the future? In short, a two-year period was probably the utmost that you could realistically plan for, and it was his recommendation that Mr. Flemming formulate his programs on a two-year basis.

Expressing agreement with Secretary Humphrey, Secretary Wilson stated that if we had on hand all the materials we needed to prosecute a war for a period of two years, we would be able to turn in a very good performance. If a longer period were envisaged, Secretary Wilson was afraid that we would now spend our money for the wrong things.

The President did not, however, agree with Secretaries Wilson and Humphrey. As it seemed to him, the problem boiled down to telling the Office of Defense Mobilization to rely to the greatest possible extent on measures that we could take after the war had started, as well as on measures and materials which would be needed prior to the outbreak of the war. For these reasons, he still believed that the phraseology "up to four years" was as reasonable as one could expect.

Mr. Cutler then called the Council's attention to the concern of the Joint Chiefs of Staff with the statement in paragraph 4, which suggested that war could be initiated without warning. On the contrary, the Joint Chiefs of Staff believed that if the Soviets deliberately initiated global war, they would have to undertake measures to prepare for this event which they could not disguise from us. Accordingly, we would have some kind of warning of their plans.

Mr. Allen Dulles, however, said that he had been unable to agree with the position taken by the Joint Chiefs if it ruled out the possibility of a Soviet sneak attack which would have no advance warning.

Mr. Cutler then outlined the comment of the Joint Chiefs of Staff with respect to paragraph 5, as to the character and destruction to be anticipated from a nuclear attack in a global war. The Joint Chiefs believed that the language in the present paragraph 5 made the worst possible case and was too pessimistic an assumption for planning purposes.

Mr. Flemming commented that at least the paragraph should make some reference to the damage which the United States would be able to inflict on the Soviet Union in order to present a reasonable case.

Secretary Wilson, however, stated that this strengthened his already-expressed view of the inadequacy of the present set of assumptions. He felt that a new group of individuals, like those originally called together for the Solarium project, [3] should now be constituted "to give this thing a whole new look".

The President, however, pointed out to Secretary Wilson that the authors of this paragraph had had all the advantages of the findings of the Bull Committee with respect to the very problem in paragraph 5.

Secretary Humphrey also thought that the present language was much too pessimistic and black-and-white. If one really believed the statement in paragraph 5, it would be his duty to advocate the immediate dispersion of our entire industrial plant.

Mr. Cutler pointed out that of course if it was taken out of context paragraph 5 did create an unduly alarming picture, but he insisted that pararaph 5 was expected to be read in the context of the other paragraphs in the paper, and particularly in relation to paragraph 14.

Governor Stassen supported Mr. Cutler's position by pointing out that according to the basic estimate in NSC 162/2 [4] which the Council had recently approved, the Soviets were unlikely to initiate global war unless they estimated that they could do just about everything to the United States in an initial attack that had been set forth in this paragraph.

The National Security Council: [5]

Adopted, subject to review by the Council early in 1954, the report contained in NSC 172, as interim defense mobilization planning assumptions, to provide a basis for the Director of the Office of Defense Mobilization, in consultation as appropriate with the Secretary of Defense and other departments and agencies, to develop more specific guidance which will insure adequate and uniform planning by all departments and agencies having mobilization responsibilities, with the understanding that the plans so made are subject to review and appropriate revision in the light of their cost, timing, and feasibility; subject to the following changes:

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[3] For information on Project Solarium which culminated in NSC 153/1 of June 10, 1953, see the memorandum by Cutler, May 9, p. 323 and subsequent documents. For text of NSC 153/1, see p. 378.

[4] Dated Oct. 30, p. 577.

[5] The following paragraphs constitute NSC Action No. 963. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

a. *Paragraph 1:* In line 1, insert "a" before "long".

b. *Paragraph 1:* In line 6, strike out the parenthetical word "prospects" and the footnote.

c. *Paragraph 3:* Strike out the material appearing in parentheses, and substitute therefor the following: "While global war may last for an extended period up to four years, planning for its duration should be based upon all the assumptions herein stated, with particular emphasis on paragraph 14."

d. *Paragraph 4:* In the second line, delete "a".

e. *Paragraph 5:* Add at the conclusion of the paragraph the following sentence: "In evaluating the effect of the damage to the free world, described in the three preceding sentences, appropriate weight will be given to the damage which will be done by the free world to the enemy and its resources."

f. *Page 2, footnote:* In the second line, insert "the" before "military".

Note: NSC 172, as amended, and approved by the President, subsequently circulated as NSC 172/1, and referred to the Director, ODM. [6]

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S. Everett Gleason

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[6] NSC 172/1 is printed *infra*.

S/S-NSC files, lot 63 D 351, NSC 172

Report to the National Security Council by the Executive Secretary (Lay) [1]

TOP SECRET
NSC 172/1

Washington, November 20, 1953.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON INTERIM DEFENSE MOBILIZATION PLANNING ASSUMPTIONS

References:
A. NSC 172 [2]

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[1] Copies to the Secretary of the Treasury, the Directors of the Bureau of the Budget and Central Intelligence, and the Chairman of the Joint Chiefs of Staff.

[2] Not printed.

B. NSC Action No. 963 [3]

The National Security Council, the Secretary of the Treasury and the Acting Director, Bureau of the Budget, at the 171st Council meeting on November 19, 1953, amended and adopted, subject to review by the Council early in 1954, the report contained in NSC 172, as interim defense mobilization planning assumptions, to provide a basis for the Director of the Office of Defense Mobilization, in consultation as appropriate with the Secretary of Defense and other departments and agencies, to develop more specific guidance which will insure adequate and uniform planning by all departments and agencies having mobilization responsibilities, with the understanding that the plans so made are subject to review and appropriate revision in the light of their cost, timing, and feasibility. The report, as amended by NSC Action No. 963, is enclosed herewith.

The President has this date approved, in accordance with the above Council action, the interim defense mobilization assumptions enclosed herewith. Accordingly, the enclosure is being referred to the Director of the Office of Defense Mobilization.

JAMES S. LAY, JR.

[Enclosure]

Report by the National Security Council

TOP SECRET [WASHINGTON, undated.]

INTERIM DEFENSE MOBILIZATION PLANNING ASSUMPTIONS

(Subject to review by the National Security Council early in 1954)

In fulfilling their defense mobilization responsibilities, agencies will plan on the following interim assumptions:

1. There will continue to be a long period of tension with possible local aggressions not involving full scale U.S. military action. Global war is possible at any time, but its occurrence on Soviet initiative is considered to be unlikely in FY 1954 and FY 1955 (the period covered by current estimates). Estimates for the subsequent period are more uncertain.

2. In the event of global war, the enemy will include the USSR, the Soviet Satellites and Communist China.

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[3] For NSC Action No. 963, see footnote 5, *supra*.

3. While global war may last for an extended period up to four years, planning for its duration should be based upon all assumptions herein stated, with particular emphasis on paragraph 14.

4. Global war may be initiated without warning, or may be preceded by local hostilities or other events requiring stepped-up mobilization.

5. Global war will involve nuclear attack on and massive destruction to selected major urban areas of the United States wherein our principal Government centers and a large portion of our productive capacity and population are located. Global war will also involve substantial damage by nuclear attack on or sabotage to military and key industrial facilities not located in major urban areas. Large scale attacks and sabotage will take place on selected important European and other free world critical industrial areas, and on U.S. and allied overseas bases. In evaluating the effect of the damage to the free world, described in the three preceding sentences, appropriate weight will be given to the damage which will be done by the free world to the enemy and its resources.

6. Total wartime demand on the economy will be larger than can be supported in terms of production (including transportation and power) and manpower. Under full mobilization, manpower (the total labor force) will be one of the seriously limiting resources even assuming maximum utilization.*

7. During the war period, the United States will be a substantial net supplier of military and non-military material to its allies.* However, it will be a net importer from certain areas, notably South America.

8. War will be fought by the United States as part of an alliance which will be more highly integrated and at least initially more extensive than that of World War II, and the industrial capacity and manpower of our allies will be used to the maximum extent possible.

9. War will involve initial denial of several areas of the free world to the United States and its allies.

10. Shipping losses will be high in the first year of the war but will diminish later in the war.

11. Before war or a period of increased tension begins, the U.S. economy will be operating at high levels but with somewhat greater unemployment than at present. Capacity and production will be at higher levels than at present.

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*A plan is being developed indicating the range and phasing of the military take of production and manpower after meeting minimum essential civilian needs. [Footnote in the source text.]

12. When increased tension threatens to create a scramble for resources and serious inflationary pressures, production and stabilization controls will be imposed.

13. Global war will result in the reduction of civilian living standards below those in World War II, but because of the need for post-attack restoration of minimum living standards, total civilian requirements may be temporarily larger at times.

14. The capacity, adaptability and ingenuity of American industry will enable it, after a period of recovery, partially to offset the loss of capacity and sources of supply resulting from enemy action. Because the initial shock of such action will paralyze some sections of industry, other sections will be forced to produce for recovery rather than for immediate war time needs, and deliveries of weapons and military equipment and supplies will be curtailed for a considerable period thereafter.

15. Barring basic change in the world situation, materials and facilities deficiencies will decline so that by the end of FY 1954 existing controls can be dropped.

16. The present Universal Military Training and Service Act will be continued for the period short of global war. Following the initiation of global war, this Act will be drastically amended in accordance with a plan being developed.†

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† A plan is being developed indicating the range and phasing of the military take of production and manpower after meeting minimum essential civilian needs. [Footnote in the source text.]

PPS files, lot 64 D 563, "NSC 153-162, Sept-Dec. 1953"

Memorandum by the Under Secretary of State (Smith) to the President [1]

TOP SECRET [WASHINGTON,] December 3, 1953.

1. Paragraph 39b of NSC 162/2 [2] (Basic National Security Policy) provides, in part, that "in the event of hostilities, the United States will consider nuclear weapons to be as available for use as other munitions." In approving NSC 162/2, the Council noted that action should be promptly taken "to conform existing arrangements regarding atomic weapons to subparagraph 39b." (Action 944c) [3] In discussing this matter, the Special Committee, composed of State, Defense, and AEC brought to light the existence of differences of opinion between State and Defense as to the meaning of paragraph

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[1] Drafted by Bowie and Arneson.

[2] Dated Oct. 30, p. 577.

[3] For NSC Action No. 944-c, see footnote 5, p. 575.

39b. Accordingly, the two Departments were requested to prepare memoranda for the President regarding their views.

2. The Department of State had understood that the purpose of paragraph 39b was primarily to permit the military to make plans on the basis of the availability of nuclear weapons. It also agrees that, as a corollary, custody of atomic weapons should in large part be transferred from the AEC to the Department of Defense.

3. The Department of State, however, does not construe paragraph 39b to be a present decision that atomic weapons will, in fact, be used in the event of *any* hostilities. In its opinion, the decision to use atomic weapons will necessarily involve the gravest political and foreign policy aspects. For example, in cases of limited hostilities, it will be essential to consider whether the use of atomic weapons will widen the hostilities, lose the support of Allies, or increase the danger of strategic use of atomic weapons by the enemy.

4. In our opinion, the President should decide these issues from case to case in the light of the actual circumstances. Undoubtedly it will be possible to isolate certain cases where the use of such weapons would be virtually automatic. Obviously, in the event of an atomic Pearl Harbor there would be no question of our use of atomic weapons in retaliation. With the development of tactical atomic weapons it may also be possible to identify in advance certain kinds of tactical use which would be authorized in reacting to aggression.

5. The State Department position, however, is that these issues have not been decided by paragraph 39b. They can and should be further explored to establish suitable procedures which will take account of the political issues in deciding upon use of atomic weapons in a particular case.

WBS

Editorial Note

Between December 4 and 8, President Eisenhower, Secretary of State Dulles, and other members of the administration traveled to Bermuda for a conference with the Heads of Government of the United Kingdom and France. During the course of the conference, President Eisenhower and Prime Ministers Churchill and Laniel, as well as their respective Foreign Ministers, discussed a wide range of global, regional, trilateral, and bilateral problems. The national defense and security policies of the United States, the United Kingdom, and France were frequently discussed in the context of more specific issues such as Korea, relations with the Soviet Union, the North Atlantic Treaty Organization, etc. For documentation on the Bermuda Conference of the Heads of Government of the United States, the United Kingdom, and France, December 4–8, 1953, see volume V, Part 2, pages 1710 ff.

In preparation for the conference, Bowie drafted a series of papers entitled "Analysis of Soviet Position". Copies of the various drafts of this paper bearing dates between November 25 and 28, including the final draft, which "has been revised to reflect the views of the Secretary", are in PPS files, lot 64 D 563, "Record Copies."

Editorial Note

In an address before the Council on Foreign Relations at New York City on January 12, 1954, Secretary Dulles expounded the doctrine of "massive retaliation" which he had first enunciated during a speech at the National Press Club at Washington on December 22, 1953. Dulles subsequently discussed this doctrine at greater length in an article entitled "Policy for Security and Peace" in the magazine *Foreign Affairs*, April 1954, pages 353–364.

The massive retaliation doctrine emerged as part of a larger evolving "New Look" defense strategy enunciated in the NSC 153 and 162 Series and also in the NSC 151 Series; for documentation, see pages —ff. For documentation concerning "massive retaliation", the evolving "New Look" defense strategy as it applied to Europe, and Secretary Dulles' statement before the Thirteenth Session of the North Atlantic Council at Paris on April 23, 1954 setting forth the United States position regarding atomic and hydrogen weapons, see volume V, Part 1, pages 508 ff.

S/S-NSC files, lot 63 D 351, NSC 5408

Report to the National Security Council by the National Security Council Planning Board [1]

TOP SECRET
NSC 5408

[WASHINGTON,] February 11, 1954.

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[1] Copies to the Secretary of the Treasury; the Attorney General; the Chairmen of the Atomic Energy Commission, the Joint Chiefs of Staff, the Interdepartmental Intelligence Conference, and the Interdepartmental Committee on Internal Security; the Directors of the Bureau of the Budget and Central Intelligence; and the Federal Civil Defense Administrator. Following several revisions which were incorporated into this report, NSC 5408 was approved by the NSC in NSC Action No. 1041 at its 185th meeting on Feb. 17; for NSC Action No. 1041, see footnote 8, p. 628.

Note by the [Acting] Executive Secretary to the National Security Council on Continental Defense

References:

A. NSC 159/4 [2]

B. NSC Action Nos. 873–d, 915–d, 966, 984, 987–c, 1010, 1023 and 1024 [3]

The enclosed draft statement of policy on the subject prepared by the NSC Planning Board pursuant to NSC Action No. 1010–b is transmitted herewith for Council consideration at its meeting on Wednesday, February 17, 1954. Attention is invited to the dissent of the Federal Civil Defense Administration Observer to paragraph 16–c of the enclosure.

This statement of policy reflects the presentation of the three major military programs by the Department of Defense at the Council meeting on January 14 (NSC Action No. 1010–a) and brings up to date the statements of all programs in the light of other developments and Council actions since the approval of NSC 159/4.

When final review of cost estimates is completed a revised financial appendix and a revised paragraph 8–d will be circulated.

A "Special Annex" to this report, containing a more detailed description of the early warning system, anti-aircraft forces and fighter interceptor forces referred to in paragraphs 15–a, 16 and 18 of the enclosure, has been circulated separately through the members of the Planning Board. This "Special Annex" must be returned to this office for destruction after Council action on the enclosed statement of policy.

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[2] Dated Sept. 25, 1953, p. 475.

[3] NSC Action No. 873 is discussed in footnote 2, p. 465. For NSC Action No. 915, see footnote 6, p. 474. NSC Action No. 966 was taken at the 172d meeting of the NSC on Nov. 23, 1953 and included notation of an oral presentation by the Chairman of the Joint Chiefs of Staff on progress made with respect to Defense Department responsibilities under subparagraphs 15–a and 15–b of NSC 159/4, further progress on Defense Department budget presentations, and a number of proposed revisions to NSC 159/4. NSC Action No. 984, taken at the 175th meeting of NSC on Dec. 15, 1953, simply noted discussion between the President and various members of the Administration on a Department of Justice memorandum transmitted on Dec. 8. NSC Action No. 987, taken at the 176th meeting of the NSC on Dec. 16, 1953, noted a presentation by the Chairman of the Joint Chiefs of Staff projecting personnel strength and force levels in light of the fiscal year 1955 budget considerations as well as a report on the subject by Acting Secretary of Defense McNeil. NSC Action No. 1010, taken at the 180th NSC meeting on Jan. 14, 1954, included notation and discussion of an oral presentation by the Department of Defense concerning various aspects of continental defense and, in addition, agreement by the NSC that following completion of cost review estimates by the Defense Department, Council review of NSC 159/4 would be considered. NSC Actions Nos. 1023 and 1024 were taken at the 182d meeting of the NSC on Jan. 28, 1954, and included the beginnings of a review of those portions of NSC 159/4 dealing with plans for the continuity of essential wartime functions of the Executive Branch and for port security. Documentation on the reference NSC Actions is in S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action".

Attention is invited to the fact that the Financial Appendix and the "Special Annex" do not form a part of the enclosed policy statement.

The enclosure is intended, if adopted, to supersede NSC 159/4.

Recommendations on improving the organization of government with respect to the "continental defense" functions in Part VI of NSC 159 are being prepared by the Director of the Office of Defense Mobilization pursuant to NSC Action No. 873–d and will be transmitted separately for Council consideration on February 17. The substance of these recommendations, if adopted, will be substituted for paragraph 14 of the enclosure.

It is intended that Council action on the enclosure will constitute final Council action on "continental defense" policy, subject to revision when and if warranted by major developments. Reports on progress in the implementation of the "continental defense" programs and of changes therein will be made the subject of progress reports.

It is requested that special security precautions be observed in the handling of the enclosure and that access to it be very strictly limited on an absolute need-to-know basis.

S. EVERETT GLEASON

[Here follow a table of contents and a three-page "List of [Supporting] Documents".]

[Enclosure]

Draft Statement of Policy Proposed by the National Security Council

TOP SECRET [WASHINGTON,] February 11, 1954.

CONTINENTAL DEFENSE

GENERAL CONSIDERATIONS

Interrelation of Continental Defense to Other Elements Constituting National Security

1. The survival of the free world depends upon the United States maintaining: (a) sufficient strength, military and non-military, to deter general war, to prevent or counter aggression, and to win a general war if it is forced upon us; and (b) a sound, strong economy, capable of supporting such strength over the long pull and of rapidly and effectively changing to full mobilization.

2. a. The strength of the United States which must be so maintained is an integrated complex of offensive and defensive elements. Each of these elements has its proper role in the defense of the vitals of America against attack and destruction. For example, our existing commitments to help in creating outposts of indigenous strength in NATO countries and in the Orient contribute to the defense of the continental United States as well as does the development of an early warning system in the Western Hemisphere. Accordingly, each element of this integrated complex should be in proper balance with all the other elements. We shall not have satisfactory over-all strength if one element is allowed to develop out of proportion to the other elements.

b. Just as there must be a proper balance among the several elements comprising our strength, there must also be a proper balance between military and non-military measures within the element of "continental defense".

3. In recent years we have emphasized the elements of peripheral defense, offensive capabilities, and mobilization base more than we have emphasized the element of "continental defense". Yet this latter element is necessary for the protection of our vitals and for the survival of our population and our Government in the event of attack. "Continental defense" is now clearly inadequate.

Scope of This Report

4. Because there are many interrelated programs which affect the defense of the continental United States in various ways it is necessary, before considering the element of "continental defense", to decide which programs are to be included in and excluded from such consideration. As used herein the term "continental defense" is limited by the following:

a. There are included in this report those elements contributing to the defense of the continent which are of an essentially defensive nature. Accordingly, this report does not include those elements of offensive strength of the United States and its allies which contribute materially to the defense of the continent.

b. There are included in this report certain existing programs which, although contributing to the defense of the continent, are not undertaken primarily for that purpose and would be carried on in any event by the agencies responsible for them. Examples of such programs are:

(1) Personnel security in the Executive Branch of the Federal Government.

(2) Physical security of government facilities.

(3) Coastal escorts and coastal anti-submarine patrol.

(4) Various elements of an integrated program of countermeasures for the detection and prevention of clandestine introduction and detonation of atomic weapons, such as FBI investi-

gations, border patrol, customs and immigration procedures, passport and visa control, etc.

Conversely, many of the "continental defense" programs will make a valuable contribution to other programs. For example, the air control system can increase civil air traffic capacity and reduce accidents. Some non-military programs will be very useful in handling domestic disasters. Some military forces which would perform roles in the "continental defense" program could be deployed overseas in the latter stages of a war.

This report is designed primarily to fix a timing and guidelines which should govern the various "continental defense" programs. Details of the programs in this report will be determined by the responsible departments and agencies.

Inadequacy of Existing Continental Defense System

5. a. The Report of the Continental Defense Committee (NSC 159, July 22, 1953)[5] reviewed the significant studies and estimates which have been made on continental defense in recent years. The latest of these was "Summary Evaluation of the Net Capability of the USSR to Inflict Direct Injury on the United States up to July 1, 1955". (NSC 140/1, May 18, 1953)[6]

b. Findings of the Report of the Continental Defense Committee (NSC 159, July 22, 1953) include:

(1) The USSR has now a growing capability to deliver a devastating atomic attack on the United States. (par. 9, p. 4)

(2) Our current atomic offensive capability is a most significant deterrent to Soviet atomic attack upon the continental United States. It will continue to be a powerful factor in deterring hostile military action by the USSR. In any program of national security, our offensive capability must be maintained not only for gaining our war objectives, but for its marked deterrent value in protecting our homeland. (par. 10, p. 4)

(3) The present continental defense programs are not now adequate either to prevent, neutralize or seriously deter the military or covert attacks which the USSR is capable of launching, nor are they adequate to ensure the continuity of government, the continuity of production, or the protection of the industrial mobilization base and millions of citizens in our great and exposed metropolitan centers. This condition constitutes an unacceptable risk to our nation's survival. (par. 11, p. 4)

(4) The creation of a defense system approaching invulnerability is probably unattainable and, as found by the Kelly Committee, is completely impractical, economically and technically, in the face of expected advances in Soviet offensive capabilities. However, a reasonably effective defense system can and must be attained. Such a system must be phased to meet the changing character of the

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[5] NSC 159 is not printed. For text of NSC 159/4, Sept. 25, 1953, see p. 473.

[6] For text of NSC 140/1, see p. 328.

threat, and therefore fixed programs extending over a period of many years are unsound. Relatively short-term programs should be embarked upon now to achieve as rapidly as possible an ability to cope with the manned aircraft and submarine-launched guided missile threat as it probably will exist through 1957. (Enclosure A, par. 3, p. 50.)

(5) No acceptable degree of over-all defense readiness is provided in programs recommended in NSC 159 until about 1956. But the Continental Defense Committee concluded that, during the period 1956 to about 1960, the USSR would *not* have the net capability of destroying the war-making capacity of the United States, provided:

> (a) The over-all continental defense programs recommended in NSC 159 are carried out vigorously, and
>
> (b) In the military area, the defense system not only is kept modern, but the quantity of its weapons is increased consistent with any significant increase in the size or performance of the Soviet long range air force. This condition might obtain well into the 1960's. Sometime after 1960, due to the possible development of long range air-to-ground or ground-to-ground guided missiles, there can be no assurance that the proposed programs will give the high degree of protection required. Unless our defensive system is constantly reviewed and kept thoroughly modern, including a defense against such possibilities as an intercontinental ballistic missile, we face the possibility of having our continental defense program largely nullified. However, any doubt about the future must not prevent us from meeting the urgent requirements of the present. (par. 120, pp. 44–45)

6. a. The Soviet demonstration of thermonuclear capabilities in August, 1953, subsequent to the above Reports, indicated that: (1) the Soviets have developed a method of substantially increasing the total energy yield from their available supplies of fissionable materials, enabling them to increase the number of bombs of 30-100 KT yield now estimated to be in their stockpile, or to make their weapons individually more destructive, or to create very high yield weapons (500–1000 KT) by accepting a reduction in total number of weapons; and (2) the Soviets may have reached an advanced stage in the development of true thermonuclear weapons yielding more than a million tons of TNT energy equivalent.

b. This Soviet demonstration has placed a premium upon:

(1) Successfully deterring general war.

(2) Improvement of our intelligence regarding Soviet capabilities and intentions.

(3) An early warning system.

(4) Maximum attrition of attacking forces before reaching targets.

(5) A ready offensive striking force.

(6) Non-military defense measures suited to the new threat mentioned in a above.

7. There has been a growing recognition in the United States of the situation outlined in pars. 5 and 6 above. In December 1952, the United States adopted a policy that an early warning system deemed capable of providing three to six hours of warning of aircraft approaching the United States from any likely direction of attack should be developed and made operational as a matter of high urgency (NSC 139).[7] The over-all security policy adopted in June, 1953 (NSC 153/1)[8] emphasized the "development of a continental defense system, including early warning, adequate to prevent disaster and to make secure the mobilization base necessary to achieve U.S. victory in the event of general war". The most recent statement of basic security policy (NSC 162/2, October 30, 1953)[9] called for the maintenance of "a strong security posture, with emphasis on adequate offensive retaliatory strength and defensive strength", based on several elements including "an integrated and effective continental defensive system."

Financing "Continental Defense"

8. a. It is provided in par. 40 of NSC 162/2 that the United States must meet the necessary costs of the policies essential for its security; and that, barring basic change in the world situation, the Federal Government should continue to make a determined effort to bring its total annual expenditures into balance, or into substantial balance, with its total annual revenues.

b. In financing increased emphasis on "continental defense", full weight must be placed upon new factors which have entered on the scene since the United States undertook the commitments supporting some of the elements other than "continental defense" in our integrated complex. These new factors are the rapid approach of the Soviets to a stockpile of "atomic plenty" and the now undoubted possession by the Soviets of a thermonuclear device.

c. "Continental defense" being but one element of an integrated complex of national security programs, any future major changes in total funds available for such integrated complex, or in the requirements of any major element thereof, will necessitate a re-examination of all U.S. security programs.

d. The increased emphasis on "continental defense" in FY 1954 and FY 1955 will be accomplished in accordance with the above considerations. The FY 1955 budget, as submitted to Congress by the President, includes expenditures as follows:

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[7] NSC 139 is scheduled for publication in the compilation on U.S. relations with Canada in volume VI.

[8] Dated June 10, 1953, p. 378.

[9] For text of NSC 162/2, see p. 577.

Programs	Expenditures in Millions		
	FY1953	*FY1954*	*FY1955*
"Continental defense"*			
Military	2,442	2,939	3,198
Non-military†	71	95	97
Total "continental defense"	2,493	3,034	3,295
All other "national security"	47,852	45,781	41,662
Total	50,345	48,815	44,957
All other federal	23,637	22,087	20,613
Total	73,982	70,902	65,570

*See Financial Appendix for detailed cost estimates of "continental defense" programs. [Footnote in the source text. The Financial Appendix is not printed.]

†Not included in "national security" category in the FY 1955 budget. [Footnote in the source text.]

Intentions of the USSR

9. Although the USSR has a growing capability to launch an aggressive attack on the United States, we believe it unlikely that the Kremlin will deliberately initiate general war during the period covered by current estimates (through the end of 1957). However, it is possible that general war might result from miscalculations by either side as a result of a series of actions and counteractions not intended by either side to have that result. Moreover, despite Soviet "peace offensives" and similar moves, there is no substantial reason to believe that the USSR has altered its basic hostility to the free world and its ultimate objective of dominating the world. Accordingly, plans for improving at home the defense of our vitals should proceed in a rapid and orderly fashion.

OBJECTIVE

10. To achieve in a rapid and orderly manner as a part of our national security, and to maintain, in collaboration with Canada, continental defense readiness and capability which will give reasonable assurance of:

a. Contributing to deterring Soviet aggression.

b. Preventing devastating attack that might threaten our national survival.

c. Minimizing the effects of any Soviet attack so as to permit our successful prosecution of a major war.

d. Guarding against Soviet-inspired subversive activities.

e. Preventing the threat of atomic destruction from discouraging U.S. freedom of action or weakening national morale.

COURSES OF ACTION

Improved Foreign and Domestic Intelligence

11. In view of the implications of nuclear weapons in the hands of the Soviet Union, greater knowledge of Soviet capabilities and intentions is essential for military and non-military measures to reach maximum effectiveness.

Agreements with Canada

12. Canadian agreement and participation on an adequate scale is essential to an effective continental defense system. U.S. efforts should be constantly directed towards maintaining with Canada a common appreciation of the urgency and character of the threat to U.S.-Canadian security, and reaching prompt agreement on the measures required to meet it. The United States should be prepared to agree that Canada take leadership in developing parts of the system and contribute to its expense.

Research and Development

13. Adequate support for coordinated programs of basic and applied research and development is essential to gain and maintain the required technological superiority over the USSR. Weapons development by us has acquired even greater importance with the development by the USSR of a thermonuclear capability. Basic and applied research must keep abreast of the changing Soviet threat, including intercontinental ballistic guided missiles.

Continental Defense Organization

14. Pursuant to NSC Action No. 873-d, the Director, Office of Defense Mobilization, is preparing recommendations on improving the organization of government with respect to the "continental defense" functions in Part VI of NSC 159.

Specific Programs

(There is no significance in the order of listing within subparagraphs.)

(The Financial Appendix and the "Special Annex" [10] hereto do not form part of this policy statement. The programming projected in these supplemental documents is not intended to preclude a more rapid phasing or earlier completion of the early warning and other programs.)

15. a. The following programs should be developed to a high state of readiness with all practicable speed, and subsequently strengthened and kept effective in phase with developing Soviet capabilities:

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[10] The "Special Annex" under reference cannot be further identified

Southern Canadian early warning line. (par. 16–a)

Seaward extensions of Southern Canadian early warning line. (par. 16–b)

Extension to seaward of contiguous radar coverage. (par. 17)

Method of aircraft identification. (par. 17)

Fighter interceptor forces. (par. 18)

Anti-aircraft forces. (par. 18)

Completion of emergency plans and preparations to insure the continuity of essential functions of the Executive Branch of the Government. (par. 19–a)

Development of an active technical device for the detection of fissionable material. (par. 20–a)

b. The following programs should be developed to a high state of readiness over the next two years, insofar as practicable, and subsequently strengthened and kept effective in phase with developing Soviet capabilities:

Northern Canadian early warning line, if proved feasible by project CORRODE [11] and agreed to by Canada and the United States. (par. 16–c)

Air control system, converting as rapidly as possible to semiautomatic control centers. (par. 17)

Gap-filler radars for low altitude surveillance. (par. 17)

Low frequency analysis and recording (Lofar) for distant detection of submarines. (par. 17)

Emergency plan for relocation of the Legislative and Judicial Branches of the Government. (par. 19–a)

Integrated plan for the continuity of essential wartime functions of the Executive Branch of the Government. (par. 19–b)

Certain elements in the program of countermeasures for the detection and prevention of clandestine introduction and detonation of atomic weapons. (par. 20–b)

Processing cases to determine known subversives for detention in the event of emergency. (par. 20–c)

Port security. (par. 21)

Civil defense research. (par. 22–a)

Civil defense education and training program. (par. 22–b)

Federal civil defense contributions to states for attack warning and communications. (par. 22–c)

Civil defense plan for dispersal of urban populations on attack warning. (par. 22–d)

c. The following programs should be strengthened and further developed in phase with (1) progress on the programs in paragraphs 15–a and –b above and (2) developing Soviet capabilities:

Other elements in the program of countermeasures for the detection and prevention of clandestine introduction and detonation of atomic weapons. (par. 20–d)

Civil defense stockpiling program. (par. 22)

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[11] Documentation on Project CORRODE is scheduled for publication in the compilation on U.S. relations with Canada in volume VI.

Continuity of industry. (par. 23)
Reduction of urban vulnerability. (par. 24)
Advice and guidance on the physical security of industrial installations.

d. The following programs should be continued generally along present lines:

Harbor defense.
Federal civil defense contributions to states for other than attack warning and communications.
Coastal escorts and coastal anti-submarine patrol.
Physical security of government facilities.
Personnel security in the Executive Branch of Federal Government.

The inclusion of the latter three programs in this subparagraph is based solely on their contribution to continental defense, without regard to their importance to other national security functions.

16. *Early Warning System.* The longer an effective advance warning of enemy attack on the continental United States, the more successfully can many military and non-military measures be carried out. In fact, certain steps—such as emergency dispersal of urban populations—would be impossible without effective advance warning.

a. Certain important military and non-military measures require prompt provision of at least two hours' effective early warning. It is urgently necessary for the United States and Canada to decide as soon as practicable upon equipment operationally capable of assuring such early warning and as soon thereafter as possible to install and put in operation the Southern Canadian Early Warning Line and to complete the early warning provided by the Alaskan Command and the U.S. Northeast Command Aircraft Control and Warning systems.

b. Seaward extensions of this line to Hawaii and the Azores, beginning with a wing outward from Argentia, should be provided primarily by picket ships and early warning aircraft operating under a patrolling schedule capable of maintaining effectiveness under sustained operating conditions. The primary functions of the seaward barrier are to provide early warning of air attack to the Continental United States and to detect and report the passage of submarines. Forces engaged in early warning barrier operations should have a corollary use in the provision of weather information, search and rescue services, and air and surface surveillance for protection of convoys and, if ordered, should be capable of controlling intercepts of aircraft and conducting limited anti-submarine warfare within the area of operations. The phasing of the program is designed to give initial emphasis to the provision of early warning for the northeastern part of the United States, and should be in consonance with progress on the Southern Canadian Early Warning Line and U.S. operational experience. Considering that it is not feasible to establish an absolute defense against air attack, development of the seaward extensions should be weighed against the increasing Soviet capability so as to provide a reasonable early warning of air attack through the most probable sea approaches.

c. A longer warning than will be afforded by installing the Southern Canadian Early Warning Line is presently desirable and, in view of anticipated increases in speed of aircraft, will probably be required within the next few years. If a Northern Canadian Early Warning Line is deemed feasible and agreed to by Canada and the United States, it should be installed as soon as practicable. Project CORRODE should be carried forward with the greatest feasible speed.

Identification and Control Systems

17. a. Even with effective early warning, fighter control is impracticable without accurate means of identification and contiguous radar coverage to seaward of our coastline. Therefore, an increase of identification capabilities, such as through the utilization of Consolan radio stations, single and multiple corridor procedures and the extension to seaward of contiguous radar coverage, should be completed with the same urgency as the provision of early warning.

b. As aircraft identification systems and contiguous radar coverage are completed, they should be supplemented during the next two years, insofar as practicable, with programs such as:

(1) An air control system, utilizing the Lincoln Transition System unless a better system can be developed.

(2) Low frequency analysis and recording (Lofar) for distant detection of submarines.

(3) Gap-filler radars for low altitude surveillance.

Weapons Systems and Force Requirements

18. a. The recent Soviet thermonuclear test brings home that it is essential with all practicable speed substantially to augment the capability to destroy attacking aircraft and submarines before reaching their targets. All possible efforts should be made to expedite [12] the equipping of adequate forces with aircraft and missiles which will achieve a high "kill ratio" before the enemy attack reaches our borders. These forces must be built up in a phased and orderly manner to a level which can be maintained and continuously be kept modern with new aircraft and missiles to keep pace with anticipated increases in Soviet capabilities. This process is essential to achieve the objective of this policy. Moreover, some of these forces deployed initially for continental defense could be of great value in other areas and roles in the event of a long war. To

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[12] There is a notation on the source text that paragraphs 17 and 18-a have been revised to this point, presumably in conformity with NSC Action No. 1041, discussed in footnote 1 above.

this extent they contribute materially to our over-all military strength.

b. In developing the forces and weapons required under these programs, every effort should be made to achieve maximum utilization of existing equipment and forces based upon continuous evaluation of the disposition of U.S. forces and material world-wide.

Continuity of Essential Wartime Functions of Federal Government

19. a. Emergency plans and preparations to insure the continuity of essential wartime functions of the Executive Branch should be completed with the utmost urgency. Within the next two years, an emergency plan should be completed for the relocation of the Legislative and Judicial Branches of the Government.

b. In view of the Soviet nuclear threat, plans for the continuity of the essential wartime functions of the Federal Government should provide a wider dispersal of governmental facilities with improved communications and transportation links.

Internal Security

20. a. Efforts to develop an active technical device for the detection of fissionable material should proceed with the utmost urgency. When such a device has been successfully developed, its appropriate use will be the subject of further Council recommendation. Without awaiting the development of such a device, all incoming unaccompanied baggage, effects and shipments of Soviet bloc personnel, exclusive of the diplomatic pouch, should be subject to overt inspection and manual search.

b. Certain elements in the program of countermeasures for the detection and prevention of clandestine introduction and detonation of atomic weapons should be in operation within the next two years. These elements include

(1) Controlled dissemination of detailed information on this subject to officers of the Government who are in supervisory or administrative positions in agencies having responsibilities for detection of or defense against clandestine atomic weapons.‡

(2) Controlled dissemination of descriptive data concerning atomic devices and their component parts to operational officers of the Government who are actively engaged in the field in detection of and defense against clandestine atomic weapons.

(3) Release of information on this subject on a selected basis to representatives of duly constituted law enforcement agencies, in order to enable cooperation with agencies actively engaged in detection of and defense against clandestine atomic weapons.§

(4) Issuance of a Presidential Statement pointing out the FBI's responsibility for making investigations with respect to the illegal

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‡Action taken prior to the date of this Report. [Footnote in the source text.]

§ Action taken prior to the date of this Report. [Footnote in the source text.]

production, transfer, possession, transportation, etc., of fissionable material, as a military weapon, and requesting that information relating thereto be reported to the FBI.§

(5) Assumption of responsibility by the Department of Defense for disarming atomic weapons introduced into the United States.§

(6) Furnishing of guidance by the Federal Civil Defense Administration to local civil defense and other local governmental agencies having responsibility for protective measures to preserve life, to minimize damage from fire, etc.

(7) Recommending legislation providing for the payment of rewards as an inducement for defectors and informants to supply information leading to the recovery or acquisition of atomic weapons or fissionable material illegally introduced or attempted to be so introduced into the United States. As an additional inducement, the right of sanctuary or asylum in the United States should apply, when appropriate, to such informants or defectors.

(8) Channeling entry of Soviet bloc diplomatic personnel through a limited number of U.S. ports by means of individual visa designation. ||

(9) . . .

c. The program of processing cases to determine known subversives for detention in the event of emergency should be developed to a high state of readiness over the next two years and thereafter kept current.

d. Other elements in the program of countermeasures should be continued and strengthened in phase with developing Soviet capabilities. These elements include:

(1) More effective control of legal but presently uncontrolled arrivals of alien crewmen, unscreened visa applicants, and others.

(2) More effective prevention of illegal arrivals of persons by:

> (a) Encouraging enactment of uniform State legislation to reduce falsification of U.S. birth certificates.
>
> (b) Enforcement of penalties for illegal discharge of alien seamen in U.S. ports.
>
> (c) Search and surveillance of vessels in U.S. ports to prevent landing of stowaways and excluded crewmen.

e. The present practice of the Department of State in generally retaliating, on a reciprocal basis, against Soviet bloc restrictions on the number of U.S. diplomatic representatives, should be continued.

f. A program for additional protective measures at selected industrial and governmental facilities of a highly critical nature will be developed by the Office of Defense Mobilization, with cost estimates.

. . . .

|| Action taken prior to the date of this Report. [Footnote in the source text.]

Civil Defense

22. The following elements of the Civil Defense Program, modified in the light of the Soviet nuclear threat should be emphasized during the next two years:

a. Civil defense research should be brought up to date in order to provide proper knowledge of civil defense problems and their solution.

b. Public civil defense education and training program must be accelerated so as to inform the public and provide trained civil defense workers.

c. Attack warning and communications systems at state and local levels should be completed under the contributions program.

d. Plans should be developed for the emergency dispersal of the population from congested urban areas consistent with the improvement of an effective early warning system.

The civil defense stockpiling program should be continued and phased with the developing nature of the Soviet threat.

Continuity of Industry

23. Current efforts to provide for the continuity of industry should be kept in phase with the other elements of continental defense system and with mobilization plans as affected by the development of a Soviet nuclear capability. In particular, the following programs for the continuity of industry should be promptly developed:

a. Review of mobilization base planning, including consideration of:

(1) Maximum industrial dispersion.

(2) Production logistics.

(3) Assistance for relocation or transfer of production from overconcentrated or "sole" producers.

(4) Possible stand-by facilities.

(5) Provision for stockpiles of inventories of finished products.

(6) Reserve stocks of long lead time tools for rehabilitating or rebuilding.

b. A system for damage assessment and reporting.

c. Provision of secure transportation control centers with necessary operating records.

d. Post-attack industrial rehabilitation.

Reduction of Urban Vulnerability

24. Changing the metropolitan pattern of America so that it presents fewer concentrated targets for attack may be essential in the age of inter-continental ballistic missiles. Industrial leadership and actions by State and local governments to this end will be possible

if energetic Federal leadership and the use of strong governmental incentives are employed.

[Here follows an 11-page Financial Appendix, not printed.]

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 185th Meeting of the National Security Council, Wednesday, February 17, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

The following were present at the 185th meeting of the Council: The President of the United States, presiding; the Vice President of the United States; the Acting Secretary of State; the Acting Secretary of Defense; the Acting Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General (for Items 1, 2 and 4); the Secretary of Commerce (for Item 4); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Items 1, 2 and 4); the Assistant Secretary of Defense (Research & Development); Mr. Slezak for the Secretary of the Army; the Acting Secretary of the Navy; the Acting Secretary of the Air Force; the Chairman, Joint Chiefs of Staff; Gen. Bolte for the Chief of Staff, U.S. Army; the Chief of Naval Operations; the Chief of Staff, U.S. Air Force; the Commandant, U.S. Marine Corps; the Director of Central Intelligence; Gen. John E. Hull, Department of Defense (for Item 7); Gen. Willard S. Paul, Office of Defense Mobilization, and Mr. Shapley, Bureau of the Budget (for Items 1 and 2); Mr. Sullivan, Department of Defense, Mr. Ash, Office of Defense Mobilization, and Mr. Hurley, Office of Defense Mobilization (for Items 1 and 2); the Assistant to the President; Robert Cutler, Special Assistant to the President; the NSC Representative on Internal Security; Richard L. Hall, NSC Special Staff Member; Bryce Harlow, Administrative Assistant to the President; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

A summary of the discussion at the meeting follows, together with the main points taken.

1. Continental Defense (NSC 5408) [2]

At the outset of the meeting, Mr. Cutler announced that he had prepared a detailed presentation to analyze and explain NSC 5408, as directed by the Council at its previous consideration of continental defense. Mr. Cutler explained that NSC 5408 represented a complete and up-to-date revision of NSC 159/4 [3] to reflect the January presentation by the Department of Defense of the three major programs and the Financial Appendix. Mr. Cutler also referred to the "Special Annex", which gave details with respect to the three major programs, [4] and informed the Council that the intelligence estimates in NSC 5408 were based upon a scrutiny of the latest intelligence available on Soviet capabilities and intentions.

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[1] Drafted by Deputy Executive Secretary Gleason on Feb. 18.

[2] NSC 5408 is printed *supra*.

Mr. Cutler then proceeded to summarize, or to read *in toto*, the early paragraphs of NSC 5408. When he reached paragraph 8, which summarized the expenditures for continental defense, he distributed a 1-page statement entitled "Comparison of Final Estimates, Feb. 12, 1954 (NSC 5408) With Previous Estimates, Sept. 24, 1953, on Charts Based on Financial Appendix to NSC 159/3" (copy filed in the minutes of the meeting). [5]

When he reached paragraph 14, Mr. Cutler informed the Council that the report on organization for continental defense referred to in this paragraph would presently be completed by Dr. Flemming, would thereafter be submitted to the Planning Board, and scheduled for consideration by the Council on March 4.

Turning to a series of charts, Mr. Cutler explained to the Council the significant changes which this revision made in the three major programs listed as 15-a and 15-b. He explained that there had been some concern expressed at the meetings of the Planning Board as to whether the change of title with respect to these programs, from completion "with all possible speed" to completion "with all practicable speed", indicated an intention to slow down the completion of these programs. Mr. Cutler did not think this was the case, and pointed out that the present revised statement reflected, as the Council directed, the presentations by the Department of Defense of the three major programs.

Mr. Cutler also noted with respect to these programs that the policy called for developing as rapidly as practicable the operational capability of the installations required by the Southern Canadian line, and once this operational capability had been established, to install the line as rapidly as possible. The majority of the Planning Board had agreed that this constituted a reasonable procedure.

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[3] Dated Sept. 25, 1953, p. 475.

[4] The "Special Annex" under reference cannot be further identified.

[5] The statement has not been found. For information on the minutes of NSC meetings, see footnote 1, p. 394.

Mr. Cutler then referred to a letter which he had received from Dr. DuBridge,[6] Chairman of the Science Advisory Committee of ODM (copy filed in the minutes of the meeting). He read two paragraphs from this letter, in which Dr. DuBridge contended that the present level of technological development was sufficiently advanced to permit the installation of the Southern Canadian defense line and the seaward extensions of this line by the dates originally contemplated last September, and that no delay need be contemplated because of the fear that rapid technological advance in the future would render the installations obsolete. With respect to the points made by Dr. DuBridge, Mr. Cutler referred to the statement at the top of page 12 of NSC 5408, to the effect that the programming projected in the "Special Annex" and the Financial Appendix to NSC 5408 "is not intended to preclude a more rapid phasing or earlier completion of the early warning and other programs." Accordingly, said Mr. Cutler, there were no fixed dates for the completion of the programs, nor had the Department of Defense given any indication of a desire to slow down or that lack of funds was a consideration with respect to the pace at which these programs were to be completed.

Mr. Cutler then explained that beyond paragraphs 15–a, –b, –c and –d, the revised report contained few changes of any significance. He did, however, wish to call attention to the only dissent in the paper, which had been presented by the Federal Civil Defense Administration with respect to the Northern Canadian early warning line. He explained the complexity of the problem, and expressed the opinion that the language proposed by FCDA in paragraph 16–c was rather too finite in dealing with a problem about which, as yet, we could know very little.

When no questions were forthcoming after Mr. Cutler's detailed analysis, he invited Dr. Flemming to comment on the revised report.

Dr. Flemming stated his belief that the revision constituted an excellent paper on the whole, and that it helped greatly to clarify the issues. He had no changes to suggest in the wording of the report, but he wished to stress the importance of the introductory sentences to paragraph 16, which pointed out the urgency of obtaining as soon as possible effective advance warning of enemy attack. Many agencies were dependent upon provision of early warning in carrying out their responsibilities, and the more clearly we recognized the importance of this objective, the better. Dr. Flemming went on to state his understanding that the joint committee, made up of officials of the Royal Canadian Air Force and the U.S. Air Force, would report their findings with regard to the Southern Canadian line about June 1,[7] and Dr. Flemming recommended that once this report was in, the Council would be well advised to take a fresh look at the early warning problem and not to regard the present dates for completion of the early warning program as frozen. Provided, therefore, the Council clearly understood that no completion dates were fixed and that the Council might look at this issue again, Dr. Flemming concluded that NSC 5408 was "a fine document".

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[6] Dr. Lee A. DuBridge, President of California Institute of Technology. The letter has not been found.

Mr. Cutler explained that the work of the joint committee referred to by Dr. Flemming involved the development of military criteria, the testing of equipment, and the surveying of the Southern Canadian line. Admiral Radford and General Twining indicated that everything within the committee's area of responsibility was moving forward as rapidly as possible.

The President expressed an interest in Dr. DuBridge's letter, and inquired whether Dr. DuBridge meant that equipment for the Southern Canadian line now available was sufficiently effective so that, even if no better equipment were to be developed in the near future, we could still install a practicable and effective Southern Canadian line.

The President's question was answered by Assistant Secretary of Defense Quarles, who said he believed that the President's interpretation of Dr. DuBridge's meaning was substantially correct, but that Dr. DuBridge did not mean that presently available equipment could not be improved upon.

The President said that the installation of the line should certainly not be delayed if all we contemplated was a gradual and steady improvement in the effectiveness of the equipment installed. But he did not want us to find ourselves in a position of being compelled to rip out equipment because it proved worthless or ineffective after installation.

Secretary Kyes called the Council's attention to the study of the Administration's continental defense policy and program which had been made, at the behest of a Senate Committee headed by Senator Saltonstall, by Mr. Sprague. The latter found himself in complete agreement with this program, and Secretary Kyes indicated that this was a welcome endorsement by an intelligent outsider competent to make a judgment.

With respect to Dr. Flemming's earlier comments, Secretary Kyes said he merely wished to state that the Department of Defense was accustomed to get done as rapidly as possible any task which the National Security Council directed that department to perform. Referring again to Mr. Sprague's report, Secretary Kyes said that this report raised certain problems. It was originally intended to be used only by Senator Saltonstall's committee, but it was now proposed to give wide distribution to what was called a "sanitized" version. Great care must be exercised in scrutinizing any report on this subject which reached a large number of people.

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[7] Documentation on the joint U.S.-Canadian Air Force committee under reference is scheduled for publication in volume VI.

Admiral Strauss then said he wished to raise a point with respect to paragraph 8-b on page 8 of NSC 5408, which stated that the Soviets now possessed a thermonuclear device "of quality indicating the use of independent technology." Admiral Strauss said that he was unable "to buy" this last phrase. Our intelligence was not sufficiently sure to permit this judgment as to the manner in which the Soviets had developed their device. He accordingly recommended deletion of this phrase, and the Council concurred in this recommendation.

The National Security Council: [8]

a. Noted a letter from the Science Advisory Committee of the Office of Defense Mobilization, regarding the technical situation with respect to the Southern Canadian early warning line and seaward extensions thereof, as read at the meeting by Mr. Cutler; and that this letter had been referred to the Department of Defense for comments.

b. Adopted the statement of policy contained in NSC 5408, subject to the following changes:

(1) *Paragraph 8-b, last sentence:* Delete the words "of quality indicating the use of independent technology."

(2) *Paragraph 16-c:* Delete the FCDA proposal on page 15a.

(3) *Paragraph 17-a, second sentence:* Insert, after "Consolan radio stations", the words ", single and multiple corridor procedures".

c. Noted that the programming projected in the Financial Appendix and the "Special Annex" to NSC 5408 is not intended to preclude a more rapid phasing or earlier completion of the early warning and other programs; and that a review of the timing will be made in connection with the first Progress Report on NSC 5408 scheduled as of June 1, 1954.

Note: NSC 5408 as amended subsequently approved by the President. The amendments to NSC 5408 subsequently circulated for insertion in NSC 5408.

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[8] Paragraphs a–c constitute NSC Action No. 1041. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

2. *Organization for Continental Defense* (NSC Action No. 873–d; NSC 159, Part VI; NSC 5408, para. 14)[9]

Dr. Flemming stated that he and Secretary Kyes had reached agreement as to the character of the general set-up which would follow through on NSC 5408. As Mr. Cutler had indicated earlier, this proposal would first be submitted to the Planning Board, and come back to the Council for consideration on March 4.

The National Security Council:[10]

Noted that the Director, Office of Defense Mobilization, would transmit his recommendations, prepared pursuant to NSC Action No. 873–d, on improving the organization of the Government with respect to the continental defense functions in Part VI of NSC 159, to the NSC Planning Board for study and report to the Council.

. . . .

4. *Plan for Continuity of Essential Wartime Functions of the Executive Branch* (Memo for NSC from Executive Secretary, same subject, dated January 25, 1954; NSC Actions Nos. 1023 and 1032)[11]

Secretary Weeks[12] joined the Council at this point, and Mr. Cutler explained that since the Secretary of Commerce could be present for only a short time, it would be helpful if Dr. Flemming took up first the revised Defense Mobilization Order relative to new Federal construction in target areas, since this Order involved new responsibilities for the Secretary of Commerce.

Dr. Flemming reported that as a result of the Council's decision of the previous week, he had revised the original draft Order in the light of the discussion at that meeting. He then distributed copies of the revised draft (copy filed in the minutes of the meeting).[13]

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[9] For information on NSC Action No. 873 and on NSC 159, see footnote 2, p. 465; NSC 5408 is printed *supra*.

[10] The following paragraph constitutes NSC Action No. 1042. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

[11] A copy of Lay's memorandum is in S/S–NSC files, lot 63 D 351, NSC 5408. Regarding NSC Action No. 1023, see footnote 3, p. 610. NSC Action No. 1032, taken at the 184th meeting of the NSC on Feb. 11, 1954, noted discussion of a draft defense mobilization order and a pilot study concerning plans for continuity of essential wartime functions of the Executive Branch as well as a Presidential request for a map showing probable enemy wartime target areas and location of communication facilities available to the Executive Branch in time of war. It also noted agreement by the Council that the Director of Defense Mobilization should proceed with the selection of possible emergency relocation sites as well as for permanent "nearby relocation of essential wartime functions". (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

[12] Sinclair Weeks, Secretary of Commerce, Jan. 21, 1953–Nov. 10, 1958.

[13] The reference draft order is presumably that referred to in NSC Action No. 1032, discussed in footnote 11 above. No copy of the revised defense mobilization order has been found. For information on the minutes of NSC meetings, see footnote 1, p. 394.

Before Dr. Flemming had completed his statement, the President interrupted to say that he had a good many comments to make about this problem, since he was snowed under with complaints over the abandonment of various Government facilities in different parts of the country. While we were all sitting here around this table and talking about dispersing Government agencies, we never seemed to pay any attention to the fact that a number of the facilities which we were abandoning over such violent protests, particularly military installations, might usefully serve a dispersion program. The President stated with great emphasis that we should use such abandoned installations for dispersion purposes unless it could be proved beyond reasonable doubt that these installations were unusable. Furthermore, said the President, he seriously doubted that lack of communications was a valid argument for confining the relocation of Government agencies to an area within 30 miles of Washington. With the use of telephonic communications it should be perfectly possible to relocate many of these agencies a thousand miles away from Washington.

Dr. Flemming explained to the President that ODM was already taking a look at the abandoned Government facilities, for example, Camp Pickett. Should we, inquired Dr. Flemming, adopt as a fixed procedure scrutiny of such abandoned facilities before any plans were made for the construction of new installations in connection with the relocation program?

The President indicated approval of this suggestion, and asked Mr. Dodge if the Budget Bureau had a list of Government facilities and installations which had been abandoned. Some way must be found, the President repeated, to make use of these facilities.

Secretary Humphrey said that it was his guess that if the Government issued clear instructions as to the desirability of looking first at existing buildings and installations, we would not have to spend a nickel for any new construction.

The President observed that it was an American habit to expect too much luxury in its Government buildings. As an old Army man, he himself had shared in this failing, but it was now obvious to him that a lot more could be done on an austere basis. If we merely used common sense we could save a lot of money.

Mr. Dodge then suggested that the procedure suggested by the President and Dr. Flemming, as to looking first at the possibilities of using existing facilities, be incorporated in the Defense Mobilization Order.

Secretary Kyes said that he agreed with this suggestion, but believed that after Dr. Flemming had included this point in his next draft, the Order be looked at by the Planning Board before coming to the Council for a final decision. As presently written, the Order would cause certain difficulties for the Department of Defense and quite possibly for other Government agencies, and Secretary Kyes said he wished an opportunity to have these problems aired.

The President commented that Secretary Kyes' statement moved him to remind the Council of his views on its functions. He said that he wanted every member of the Council, both statutory and invited, to feel absolutely free to bring up any idea they wished for discussion at this table. As soon as possible, however, a written report on such a subject should be prepared and put through the Planning Board before the Council gave it final consideration. Freedom to discuss should not imply hasty decisions.

Mr. Cutler then referred to the President's desire, expressed at the previous meeting, for the preparation of maps to illustrate target areas and communications facilities. General Paul then produced three maps, which he stated he was prepared to explain to the President and the Council. The first one, he said, dealt with possible sites for the permanent relocation program. This constituted what General Paul described as a "blow-up" of the Washington area, and the sites were included on circles with radii of 30, 100, and 300 miles from the District of Columbia.

After General Paul had commented on the first map, Secretary Humphrey inquired whether the sites indicated on the map called for the use of old buildings or whether they involved new construction. General Paul reassured Secretary Humphrey that it was proposed to utilize anything in the way of facilities which were available and usable. To this, Secretary Humphrey replied that you would have to go a lot further afield than 300 miles if you were to find suitable facilities already in existence sufficient to satisfy the need for permanent relocation.

Dr. Flemming then said that he wished to make clear that the indications on the map were to portray groupings of Government agencies rather than actual location of sites.

Thereafter, General Paul produced his second map, which was to indicated sites for emergency relocation of Government agencies as opposed to permanent nearby relocation. With respect to this second map, General Paul indicated that four Government agencies had been assigned sites for emergency relocation in the midst of the critical target area. Sooner or later these sites would have to be changed.

General Paul then turned to his third map, which portrayed the basic communications network of the United States.

The President inquired whether such a map did not indicate that any time you relocated a Government agency adjacent to one of these communications lines, that agency could function just as effectively as though it were located ten miles from Washington. In any case, said the President, it was perfectly plain to him that we could not plan to relocate all these agencies in areas close to Washington.

Dr. Flemming asked the President whether his statement indicated a belief that the previous limit of 300 miles from the District of Columbia for permanent nearby relocation should be abandoned in favor of more distant relocation. The President replied that he certainly did mean this, provided adequate communications facilities existed.

Mr. Cutler then stated that in his opinion the next step in carrying out the plan for continuity of essential wartime functions was for the ODM to make a general determination as to the essential wartime functions in all the major departments and agencies of the Executive Branch.

Dr. Flemming, however, indicated that it was not his intention to make such a general determination involving all the agencies, but to carry out the program on a case-by-case basis. He indicated that he would be ready presently to discuss the essential wartime functions of the Civil Aeronautics Administration, and would thereafter provide other cases. This seemed to him, he said, the best way to get at a set of ground rules.

Mr. Cutler replied that it was his understanding that the ODM was to select the units and cadres which were to perform essential wartime functions in all the agencies, in order to determine what cadre or unit in what department should be relocated outside of the District of Columbia. This task, said Mr. Cutler, seemed obviously to be the first one.

Dr. Flemming, however, repeated his previous position, and noted that CAA was the "guinea pig" right now. We would then go on, case by case, until we could formulate a general program.

The National Security Council:[14]

a. Discussed a revised draft Defense Mobilization Order, relative to new Federal construction in target areas, prepared by the Director, Office of Defense Mobilization, pursuant to NSC Action No. 1032-a and circulated at the meeting.

b. Agreed that this draft Order should be amended by ODM to state that, before undertaking new construction, existing facilities should be used whenever feasible.

c. Referred the draft Order, amended by ODM in accordance with b above, to the NSC Planning Board for study and report to the Council.

d. Noted and discussed a preliminary oral report by General Paul, pursuant to NSC Action No. 1032-d, on possible groupings of agencies for permanent nearby relocation of essential wartime functions of the Executive Branch.

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[14] Paragraphs a-f constitute NSC Action No. 1044. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

e. Noted a map showing 50 probable target areas and location of major communications facilities available to the Executive Branch for use in the event of war, prepared by the Office of Defense Mobilization pursuant to NSC Action No. 1032–c.

f. Noted that the Director, Office of Defense Mobilization, pursuant to NSC Action No. 1023–d–(1), would transmit to the NSC Planning Board at a later date a report on those agencies of the Executive Branch considered to have essential wartime functions, with the understanding that after determination of such agencies, permanent relocation plans will be developed on an agency-by-agency basis.

Note: The action in f above subsequently transmitted to the Director, Office of Defense Mobilization, for implementation.

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S. EVERETT GLEASON

Editorial Note

On February 17, 1954, James S. Lay, Jr., Executive Secretary of the National Security Council, transmitted to the NSC the first two parts of NSC 5407, "Status of United States Programs for National Security as of December 31, 1953" which had been called for by the memorandum from Lay to Secretary Dulles on December 14, 1953 (see footnote 9, page 597). The remaining portions of the two-volume report numbered NSC 5407 were submitted subsequently by the various responsible agencies, and NSC 5407 was the subject of discussion at the 187th, 188th, and 190th meetings of the NSC on March 4, 11, and 25, 1954. For an extract from NSC 5407, see volume I, Part 1, page 684; a copy of the complete two-volume report is in S/S–NSC files, lot 63 D 351.

The departments and agencies responsible for national security programs subsequently prepared further semiannual reports on the status of those programs in conformity with Lay's memorandum of December 14, 1953. Copies of NSC 5430, "Status of U.S. Programs for National Security as of June 30, 1954", and NSC 5509, "Status of National Security Programs as of December 31, 1954" are also in S/S–NSC files, lot 63 D 351, NSC 5430 and NSC 5509 Series, respectively.

611.61/3-154

Memorandum by the Acting Special Assistant to the Secretary of State for Intelligence (Howe) to the Acting Secretary of State

TOP SECRET WASHINGTON, March 1, 1954.

Subject: SNIE-11-2-54: *Soviet Capabilities for Attack on the US Through 1957*

This special estimate was prepared at the request of the NSC Planning Board. It is concerned solely with Soviet gross capabilities for attack on the continental U.S. and does not consider how these capabilities might be reduced by Allied counteractions.

The Intelligence Advisory Committee concludes that the USSR's greatest capability lies in open military attack with nuclear weapons delivered by long-range aircraft. Present Soviet capabilities for air attack on continental U.S. are limited by dependence on the TU-4 bomber (B-29 equivalent), by the apparent lack of a developed inflight refueling capability, and by the relatively undeveloped character of the Chukotski and Kola base areas. Nevertheless it is estimated that the USSR has sufficient nuclear weapons, long-range bombers, and suitable bases to enable it to attack virtually any target in continental U.S. on one-way missions. (You may wish to look over the maps at the end of the estimate which illustrate the range of Soviet bomber aircraft.)

It is estimated that in 1954 the USSR, by a maximum effort, could launch about 300 aircraft from the Chukotski and Kola areas, 200 to 250 of which might reach their targets. By the end of 1957 it could launch a maximum of about 1000 aircraft in an initial air operation against the U.S. This would require the employment of the entire Soviet heavy and medium bomber force and might result in 450 to 700 mission aircraft reaching their targets.

This special estimate will not be released to any foreign government.

FISHER HOWE

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 187th Meeting of the National Security Council, Thursday, March 4, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

The following were present at the 187th NSC meeting: The President of the United States, presiding; the Vice President of the United States; the Acting Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; Mr. Morrison for the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission; the Deputy Secretary of Defense; Robert R. Bowie, Department of State; Commissioner Campbell, AEC; the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Assistant to the President; Mr. Cutler and Mr. Jackson, Special Assistants to the President; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

At the outset of the meeting the President, in a humorous tone, said that if any member of the National Security Council or anyone who attended its meetings had talked to the Alsops for more than 30 seconds in the course of the last four weeks, that individual was to make a date to come in and talk with him.

. . . .

3. *U.S. Objectives in the Event of General War With the Soviet Bloc* (NSC 5410) [2]

Mr. Cutler briefed the members of the Council, and explained that the Planning Board believed that a policy on United States objectives in the event of war was desirable to provide a basis for planning by the appropriate departments and agencies. He pointed out that the present statement had been unanimously approved by the Planning Board, but as yet the views of the Joint Chiefs of Staff had not been received.

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[1] Drafted by Deputy Executive Secretary Gleason on Mar. 5.

[2] NSC 5410, Feb. 19, 1954, entitled "U.S. Objectives in the Event of General War With the Soviet Bloc", is not printed. (S/S-NSC files, lot 63 D 351, NSC 5410) NSC 5410/1 of the same title, dated Mar. 29, 1954, is printed on p. 644. The origin of the NSC 5410 Series is to be found in NSC Action No. 944-e taken at the 168th meeting of the NSC on Oct. 29, 1953, in which, during the course of approving NSC 162/2, the Council noted that "the Planning Board would submit for Council consideration a revision of 'U.S. Objectives vis-a-vis the USSR in the Event of War' ". For NSC Action No. 944, see footnote 5, p. 575. For text of NSC 162/2, Oct. 30, 1953, see p. 577.

The NSC Planning Board prepared its first draft report on Dec. 3, 1953, and a draft statement on the same subject was prepared by the Council Staff on Dec. 28, 1953. Copies of both the draft report and statement are in S/P-NSC files, lot 62 D 1, NSC 5410.

Admiral Radford explained that the Joint Chiefs of Staff had been unable to agree on their views, and he therefore requested that the Council postpone action on this statement for one week.

The President pointed out that we could anticipate in the aftermath of a third world war a tremendous swing toward isolationism in the United States. Moreover, the colossal job of occupying the territories of the defeated enemy would be far beyond the resources of the United States at the end of such a war. While the President therefore said he agreed that it was right to keep this problem of war objectives in mind, he believed that the chaos resulting from a third world war would be so great as to render it impossible for the National Security Council to determine in advance our precise objectives and courses of action in the event of such a war.

As regards the kind of government we would attempt to set up in a defeated Russia, the President said it was hard to debate. A totalitarian system was the only imaginable instrument by which Russia could be ruled for a considerable interval after the war. By and large, concluded the President, the main purpose served by this paper was to emphasize how vital it was to avoid a third world war.

Mr. C.D. Jackson referred to paragraph 9-a of the report, calling for mobilization of our material, moral and human resources, as "wishy-washy".

Mr. Cutler explained that this statement had been inserted because we had not fully mobilized our human resources in World War II and that we should certainly be aware of the necessity of doing so in any future world war.

The President expressed the view that if a third world war were to begin with an enemy atomic attack on the United States, this country would itself be required to accept a totalitarian regime. There would be no way to avoid it, and this was another argument for doing our best to prevent such a war.

The National Security Council: [3]

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[3] The following paragraph constitutes NSC Action No. 1051.

Deferred action on NSC 5410 until the March 18 Council meeting, in order to permit receipt of the views of the Joint Chiefs of Staff thereon.[4]

. . . .

S. EVERETT GLEASON

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[4] Discussion of NSC 5410 was deferred until the 190th meeting of the NSC on Mar. 25; see the memorandum of discussion, *infra*.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 190th Meeting of the National Security Council, Thursday, March 25, 1954[1]

[Extracts]

TOP SECRET EYES ONLY

Present at the 190th Meeting of the Council were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; the Acting Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Director, Bureau of the Budget; the Acting Chairman, Atomic Energy Commission (for Item 5); Mr. Slezak for the Secretary of the Army, the Secretary of the Navy, and the Acting Secretary of the Air Force (for Items 3, 4 and 5); the Chairman, Joint Chiefs of Staff; the Chief of Staff, U.S. Army, the Chief of Naval Operations, the Chief of Staff, U.S. Air Force, and the Commandant, U.S. Marine Corps (for Items 3, 4 and 5); the Director of Central Intelligence; Mr. Cutler and Mr. Jackson, Special Assistants to the President; the Deputy Assistant to the President; Mr. Robert R. Bowie, Department of State; Brig. Gen. Barksdale Hamlett, Department of Defense; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

Following is a summary of the discussion at the meeting and the chief points taken.

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[1] Drafted by Deputy Executive Secretary Gleason on Mar. 26.

4. *Continental Defense: Report on the Seaward Extensions and Contiguous Radar* (NSC 5408; NSC Action No. 966-f; Memo for NSC from Executive Secretary, subject: "Continental Defense: Report on the Seaward Extensions", dated March 24, 1954)[2]

The National Security Council:[3]

Noted the memorandum by the Joint Chiefs of Staff (enclosure to the reference memorandum) on current operational plans for the seaward extensions of the Southern Canadian early warning system and the contiguous radar coverage; and the Department of Defense will continue to review these programs in relation to the Soviet threat and the possibilities of improvements therein.

5. *United States Objectives in the Event of General War With the Soviet Bloc* (NSC 5410; Memo for NSC from Executive Secretary, same subject, dated March 22, 1954)[4]

Mr. Cutler reminded the Council of the problem which the Planning Board believed its present report on war objectives would serve. It met the need to provide the military with a general basis on which to develop war plans, and it also provided guidance for the prosecution of the cold war by the psychological warfare planners. Mr. Cutler pointed out that the previous statement of U.S. war objectives had been written back in 1948 and that the many changes, notably in the development of atomic weapons, since that time required reconsideration of this policy.

Mr. Cutler then referred to the split views of the Joint Chiefs of Staff with respect to this paper. One position had been taken by the Chairman of the JCS, the Chief of Staff of the Air Force, and the Commandant of the Marine Corps. Mr. Cutler briefly summarized this view. A different position had been taken by the Chief of Naval Operations and the Chief of Staff of the Army. Mr. Cutler also summarized this position. He then suggested that, before hearing the views of the Joint Chiefs of Staff, he understood that the Secretary of State wished to comment on the paper.

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[2] For text of NSC 5408, Feb. 11, see p. 609. NSC Action No. 966-f was taken at the close of discussion on continental defense at the 172d meeting of the NSC, Nov. 23, 1953, and noted the "President's request for an estimate by the Joint Chiefs of Staff of a reasonable patrolling program for the seaward extension of the Southern Canadian early warning system". (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action") The memorandum for the NSC from Lay, Mar. 24, is not printed. It enclosed a memorandum by the Joint Chiefs of Staff in response to the President's request of Nov. 23 and also to further requests and reports on this subject from both Lay (of Dec. 7, 1953) and the Joint Chiefs (Jan. 11, 1954). Copies of the JCS memorandum setting forth specific force goals and warning capabilities of the seaward extension of the Southern Canadian Early Warning System and Lay's covering memorandum of Mar. 24 are in S/P-NSC files, lot 62 D 1, "Continental Defense-Seaward Extension".

[3] The following paragraph constitutes NSC Action No. 1076. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

[4] NSC 5410 is not printed; NSC 5410/1, Mar. 29, is printed *infra*. Lay's memorandum has not been found.

Secretary Dulles said that he had a general observation to make. It seemed to him a danger that the present paper, which was supposed to develop U.S. objectives in a war against the Soviet bloc, was becoming confused with the question of ways and means of achieving such objectives. Was this paper actually designed to produce a review of the previous decisions of the NSC with respect to basic security policy and strategy?

Mr. Cutler said that this was not the intention of the Planning Board, and that the paper had no other purpose than to replace the old annex to NSC 162/2,[5] which set forth U.S. objectives in the event that a war was forced upon us by the Soviet Union. In that case, replied Secretary Dulles, the State Department was prepared to accept the paper as it stood.

After reading the first eight paragraphs of the draft in order to clarify the nature of the problem and the purpose of the paper, Mr. Cutler invited Admiral Radford to comment on the split views of the Joint Chiefs of Staff.

Admiral Radford said that the Chief of Staff of the Air Force and he felt that the present draft provided adequate guidance with respect to planning for the contingency envisaged. Admiral Carney and General Ridgway, however, believed that the paper suffered from two very serious deficiencies. The first of these, said Admiral Radford, related to paragraph 3,[6] which Admiral Carney and General Ridgway desired to revise in order to define more precisely the degree to which measures necessary to achieve victory over the Soviet bloc should be carried out. Quoting from the portions of the memorandum which set forth the views of Admiral Carney and General Ridgway, Admiral Radford indicated their fear that full exploitation of our nuclear capability might inflict such chaos and destruction and suffering in the Soviet Union as had not been known in Europe since the end of the Thirty Years War. Indeed, in the circumstances it was impossible to visualize how the United States could cope with the victory it might achieve over the Soviets, or how it might hope to establish a workable occupational regime. In sum, any proposed assault upon the capabilities of the USSR to wage war ought to be evaluated in terms both of its possible contribution to victory and in the light of the limiting factors discussed above.

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[5] For text of NSC 162/2, including the two-page annex entitled "U.S. Objectives Vis-à-vis the USSR in the Event of War", see p. 577.

[6] Paragraph 3 of the draft statement on "U.S. Objectives in the Event of General War With the Soviet Bloc", prepared by the NSC Planning Board on Feb. 19, and designated NSC 5410, reads: "To reduce by military and other measures the capabilities of the USSR to the point where it has lost its will or ability to wage war against the United States and its allies."

As for himself, Admiral Radford felt that the views of Admiral Carney and General Ridgway should not have been directed to a paper dealing with U.S. objectives in the event of war with the Soviet Union, but instead should have been directed toward current basic national security policy as set forth in NSC 162/2. The changes proposed by Admiral Carney and General Ridgway were in fact introduced in order to effect a change in our basic military planning and strategy, and it confused the issue to criticize the war objectives paper.

The second major area of disagreement by General Ridgway and Admiral Carney occurred in paragraph 9-f. [7] As presently written, they believed (and Admiral Radford again quoted from the JCS memorandum) that political planning should not be delayed until the outbreak of war, but should instead be initiated as far in advance as possible. It was further necessary to point up the necessity for determining in greater detail and more precisely how the United States and its allies intend to enforce the terms of peace and to exercise physical control over the Soviet bloc. After quoting these views, Admiral Radford expressed his own opinion that it was impractical to attempt detailed advance planning with respect to political warfare and the post-hostilities settlement.

At the conclusion of Admiral Radford's statement, the President, with considerable vehemence and conviction, expressed the opinion that the subjects that Admiral Radford had discussed came pretty close to the area of prerogatives of the Commander-in-Chief. He said he was speaking very frankly to the Council in expressing his absolute conviction that in view of the development of the new weapons of mass destruction, with the terrible significance which these involved, everything in any future war with the Soviet bloc would have to be subordinated to winning that war. This was the one thing which must constantly be borne in mind, and there was little else with respect to war objectives that needed to worry anyone very much. The President said that ten years ago he might very well have subscribed to the limitations and restrictions which the Chief of Staff of the Army and the Chief of Naval Operations now recommended with regard to the exploitation of our great atomic capabilities. But in the present situation it was impossible and impractical even to consider these suggestions. In illustration of his point, the President turned to paragraph 1 of the draft report, which read: "To achieve a victory which will ensure the survival of the United States as a free nation and the continuation of its free institutions in the post-war period." This, said the President, he would change by putting a period after "victory" and deleting the rest of the paragraph, if not the rest of the paper. We can't tell what we will do after we achieve a victory in what will be total and not in any sense limited warfare. Accordingly, he disagreed, said the President, with the limitations and qualifications suggested by the Planning Board, just as he disagreed with the restrictions and limitations suggested by General Ridgway and Admiral Carney in their comments on this report.

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[7] Paragraph 9-f of the draft statement reads: "While avoiding premature decisions or commitments, commence formulation of, and keep under continual review, plans arrangements, the forms or administration of government in enemy territory, independence for national minorities, and the degree of post-war responsibility to be assumed by the United States in readjusting the inevitable political, economic and social dislocations resulting from the war, and the expert U.S. influence at every opportunity during the war to shape political and other developments in ways favorable to U.S. post-war objectives."

Again to illustrate his views, the President referred to the strike in the coal fields which had been called by John L. Lewis [8] at the end of 1942 or in the early part of 1943. That such a strike was possible in the midst of a terrible war was to be explained only by the fact that the United States was a free nation. We could never, however, tolerate such a development in any war we envisaged with the Soviet Union. Obviously we were desperately anxious to maintain our free institutions, and we were anxious to help our friends and allies abroad, but we were in no position to count on it or plan on it, in view of the catastrophic nature of the third world war if it should come. In such a war the United States would be applying a force so terrible that one simply could not be meticulous as to the methods by which the force was brought to bear. He could assure the Council, said the President, that with respect to any decision he might be obliged to make regarding a war plan, his decision would be based on his judgment of just how much such a war plan would hurt the enemy. For the time being, at least, no other considerations would be of significance. This, of course, did not mean that he would exclude from his judgment the question of how much harm or hurt the United States itself would suffer as a result of the methods chosen to prosecute the war. It was quite appropriate to keep this consideration in mind. The President concluded by admitting that his point of view might seem brutal, but in view of the fact that we would never enter the war except in retaliation against a heavy Soviet atomic attack, he simply could not conceive of any other course of action than the course of action which would hit the Russians where and how it would hurt most.

Mr. Cutler then raised the question as to whether the President and the other members of the Council believed that there was any value whatsoever in attempting to set forth U.S. objectives in the event of global war with the Soviet bloc. The paper was by no means hogwash. It had been most carefully worked over, not only as a basis for war planning, but as a guide to propaganda and cold war programs in the near future, as was indicated by paragraphs 6 and 8 [9] and by paragraph 9-f, which set forth the principle of nonpredetermination with respect to terms of surrender, border and territorial arrangements, and the forms of administration of government in enemy territory, the independence of national minorities, etc.

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[8] John L. Lewis, President of the United Mine Workers.

With respect to the paragraph dealing with post-war organization, the President expressed skepticism as to whether any nations as we now know them would continue to exist at the conclusion of this war, and whether we or any other nations would be in a position to create the post-war organization called for in this paragraph. The President said that, of course, his imagination as to the horrors of a third world war might be overdeveloped, but he believed that every single nation, including the United States, which entered into this war as a free nation would come out of it as a dictatorship. This would be the price of survival.

Secretary Humphrey pointed out that the present report said as much as this in paragraph 9-a, which called for the full mobilization of the moral, human and material resources of the United States.

Secretary Dulles expressed his agreement with the President's doubt as the practicality of any discussion of the post-war organization. Its character would depend on the kind of world that existed when the war was over. It was accordingly utterly academic to discuss such a subject in this paper.

The President then stated that in spite of his own views, the present report might be very useful to Mr. Jackson and to Mr. Streibert for propaganda and cold war purposes. That was one thing, but of course quite different from providing a basis for war plans.

Mr. Cutler replied that a good example of the paper's concern with the cold war was provided in paragraph 9-f, which stressed nonpredetermination with regard to the fate of the enemy territories as opposed to the call for unconditional surrender in the second world war. Mr. Cutler then asked Admiral Radford whether he believed the paper would be of any use to the war planners in the Pentagon.

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[9] Paragraphs 6 and 8 of the draft statement read:

"6. To insure that postwar regimes in the former enemy territories will not follow totalitarian and aggressive policies and practices that would threaten the security and freedom of other peoples."

"8. To facilitate postwar development of an international organization composed of the United States and friendly nations (and ultimately a world organization) which will have sufficient power and authority to enforce a just, peaceful and secure international order."

Admiral Radford replied in the affirmative, but Mr. C.D. Jackson stated that he simply wouldn't know what to do with the paper if it were sent to him as guidance for the cold war. It seemed to him "dream stuff", and there was no conceivable way of implementing it.

Secretary Humphrey pointed out that if paragraphs 6 and 8, dealing with the post-war situation and events subsequent to a U.S. victory, were deleted, the rest of the paper was self-contained and made good sense. The President expressed agreement with Secretary Humphrey's suggestion, and Governor Stassen added that of course a point might come in the course of the war when victory for the United States and its allies would be in sight, at which time the objectives set forth in the paper might prove useful guidance.

Mr. Cutler proposed that the Council adopt the suggestion made by Secretary Humphrey, and the President expressed his tentative approval and indicated his willingness to talk to Admiral Carney and General Ridgway about their views, as expressed in the JCS memorandum, at any time they wished. It was pointed out that General Ridgway and Admiral Carney were present and prepared to discuss their views, but the President replied that there were also too many other people present on this occasion.

The National Security Council: [10]

a. Discussed NSC 5410 in the light of the views of the Joint Chiefs of Staff contained in the reference memorandum.

b. Adopted the statement of policy contained in NSC 5410 subject to the following changes:

(1) *Paragraph 1:* Delete the words following "the United States".

(2) *Paragraph 2:* Insert the word "effective" before "allies".

(3) Delete paragraphs 6 and 8, and renumber the remaining paragraphs accordingly.

(4) *Paragraph 9-a:* Insert the word "fully" after "mobilize".

(5) *Paragraph 9-g:* Renumber as paragraph 8, and reword the beginning as follows: "The United States should maintain after the . . ."

c. Noted that the President gave his tentative approval to the statement of policy as adopted by the Council, with the understanding that he is prepared to discuss this matter further with the Joint Chiefs of Staff if they so request.

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[10] Paragraphs a-c constitute NSC Action No. 1077. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

Note: NSC 5410, as amended and approved by the President, subsequently circulated as NSC 5410/1.

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S. EVERETT GLEASON

S/S-NSC files, lot 63 D 351, NSC 5410

Statement of Policy Adopted by the National Security Council [1]

TOP SECRET [WASHINGTON,] March 29, 1954.

NSC 5410/1

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON U.S. OBJECTIVES IN THE EVENT OF GENERAL WAR WITH THE SOVIET BLOC

References:

A. NSC 5410 [2]

B. Memo for NSC from Executive Secretary, same subject, dated March 22, 1954 [3]

C. NSC Action No. 1077 [4]

D. NSC 162/2 [5]

The National Security Council, the Secretary of the Treasury, the Director, Bureau of the Budget, and the Acting Chairman, Atomic Energy Commission, at the 190th Council meeting on March 25, 1954 adopted the statement on the subject contained in NSC 5410 with the changes therein which are set forth in NSC Action No. 1077-b.

As noted by the Council at the Council meeting, the President has given his tentative approval to the statement on the subject enclosed herewith as a planning guide for use by all appropriate executive departments and agencies of the U.S. Government, with the understanding that he is prepared to discuss this matter further with the Joint Chiefs of Staff if they so request.

Accordingly, the Annex to NSC 162/2 is hereby superseded.

JAMES S. LAY, JR.

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[1] Copies to the Secretary of the Treasury, the Directors of the Bureau of the Budget and Central Intelligence, and the Chairmen of the Atomic Energy Commission and the Joint Chiefs of Staff.

[2] Not printed.

[3] Not found.

[4] See footnote 10, *supra*.

[5] Dated Oct. 30, 1953, p. 577.

[Enclosure]

Statement of Policy by the National Security Council

TOP SECRET [WASHINGTON, undated.]

U.S. OBJECTIVES IN THE EVENT OF GENERAL WAR WITH THE SOVIET BLOC

(Assumes that general war has been forced upon the United States, directly or indirectly. Reference to territory of the Soviet Union means the area included within the August, 1939, borders.)

1. To achieve a victory which will insure the survival of the United States.

2. To preserve and retain as many of its effective allies as possible.

3. To reduce by military and other measures the capabilities of the USSR to the point where it has lost its will or ability to wage war against the United States and its allies.

4. To prevent, by all means consistent with other U.S. objectives, the active participation of Communist China in the war on the USSR side. Failing this objective, to reduce by military and other measures the capabilities of Communist China to the point where it has lost its will or ability to wage war against the United States and its allies.

5. To render ineffective the control structure by which the Soviet and Chinese Communist regimes have been able to exert ideological and disciplinary authority over individual citizens or groups of citizens in other countries.

6. To prevent, so far as practicable, the formation or retention, after the war, of military power in potentially hostile states sufficient to threaten the security of the United States.

7. In pursuing the above objectives, the United States should from the outset of general war:

a. Mobilize fully its moral, human and material resources.

b. Obtain the full participation of its principal allies in the collective war effort.

c. Seek the participation in or contribution to the collective war effort by other nations, as consistent in each case with attainment of the above objectives.

d. Divide, as practicable, the peoples and armed forces of the Soviet Union and Communist China from their communist regimes, and the peoples of the satellites from their Soviet-dominated regimes; and so far as possible enlist the active support of these peoples on the side of the United States and its allies in prosecuting the war against the Soviet regime.

e. Make clear that this war is not an attempt by the United States to impose by force of arms, a particular political or economic system upon the world, but rather a defense against efforts by the Soviet regime to do so.

f. While avoiding premature decisions or commitments, commence formulation of, and keep under continual review, plans with respect to such issues as terms of surrender, border and territorial rearrangements, the forms or administration of government in enemy territory, independence for national minorities, and the degree of post-war responsibility to be assumed by the United States in readjusting the inevitable political, economic and social dislocations resulting from the war; and exert U.S. influence at every opportunity during the war to shape political and other developments in ways favorable to U.S. post-war objectives.

8. The United States should maintain after the cessation of hostilities, U.S. and allied military strength adequate to achieve post-war objectives. [6]

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[6] In a memorandum to the NSC, May 3, Executive Secretary James S. Lay, Jr., noted that President Eisenhower had indicated at the 194th meeting of the NSC on Apr. 29 in NSC Action No. 1102 that he had considered the further views of the JCS as embodied in a memorandum of Apr. 22 and that the President had directed that NSC 5410/1 be used as a planning guide by all appropriate executive departments. A copy of Lay's memorandum of May 3 is in S/P–NSC files, lot 12 D 1, NSC 5410.

611.61/4–2854

Memorandum by the Special Assistant to the Secretary of State for Intelligence (Armstrong) to the Acting Secretary of State

SECRET WASHINGTON, April 28, 1954.

Subject: NIE–100–54: *Probable Effects of Increasing Nuclear Capabilities Upon the Policies of US Allies* [1]

1. The Intelligence Advisory Committee adressed this estimate to the probable effect upon the policies of the principal US allies of a general conviction that the US and the USSR each had acquired nuclear capabilities more than sufficient to cripple the other.

2. Under such circumstances, the IAC concluded that US allies will:

(a) probably seek to obtain greater influence over US policy, in order to ensure a cautious and non-provocative attitude toward the Communist states;

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[1] Not printed.

(b) be even more insistent than at present that every effort be made to limit the scope and area of local conflicts, and be more unwilling than at present to participate in repelling local Communist aggression;

(c) almost certainly support the position of the US in the event of international crisis involving grave danger of general war, as long as they believe that firm maintenance of the alliance will probably avert war.

3. The IAC found itself unable to estimate the probable courses of action of US allies if an international crisis should develop to the point where general war seemed to them virtually certain and no longer to be averted by firm maintenance of the alliance. The IAC believes that most allied governments, if confronted with certain national destruction as the sole alternative to an accommodation with the USSR, would choose the latter. It believes it unlikely, though possible, that the major allies of the US would become convinced that the alternatives facing them were so limited and so clear-cut as those described.

This estimate will not be released to any other governments. [2]

W. PARK ARMSTRONG, JR.

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[2] A handwritten notation on the source text by Jeffrey C. Kitchen of the Policy Planning Staff reads as follows: "S/S-R: in light para 3 *not* submitted as against other demands on Acting Secy's time." Secretary of State Dulles was in Europe attending the opening sessions of the Geneva Conference of Apr. 26–July 21, 1954; for documentation on that Conference, see volume XVI.

S/S-NSC files, lot 63 D 351, NSC 5422

Study Prepared by the National Security Council Planning Board [1]

TOP SECRET
NSC 5422

[WASHINGTON,] June 14, 1954.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON TENTATIVE GUIDELINES UNDER NSC 162/2 FOR FY 1956 [2]

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[1] Copies to the Secretary of the Treasury, the Attorney General, the Directors of the Bureau of the Budget and Central Intelligence, the Chairmen of the Atomic Energy Commission and the Joint Chiefs of Staff, and the Federal Civil Defense Administrator.

[2] On Mar. 22, Executive Secretary of the National Security Council James S. Lay, Jr., transmitted a memorandum to the NSC which stated, in part, that "In view of the fact that NSC 162/2 has only recently been approved and has just reached the initial stages of implementation, considerable concern has been expressed at the idea of a substantial review of this policy at this time. On the other hand, it is desirable to provide more specific guidance for the preparation during the forthcoming summer of the budgets of the various departments and agencies for Fiscal Year

Continued

References:

A. NSC 162/2 [3]
B. NSC Action No. 1125 [4]
C. NIE 11-5-54 and NIE 13-54 [5]

The enclosed tentative study by the NSC Planning Board on the subject is circulated herewith to serve as the basis for discussion by the National Security Council at its meeting on June 24, 1954.

1956. Therefore, with the approval of the President, the approach to this project will be focused, not on a reconsideration of NSC 162/2 as such, but rather on the development of guidelines to implement NSC 162/2, which would govern our national security programs for Fiscal Year 1956." A copy of Lay's memorandum was sent to Secretary Dulles on Mar. 23, 1954 by Robert Cutler, Special Assistant to the President, who wrote, *inter alia*, that "I have discussed with the President the desirability of trying to develop guidelines under NSC 162/2 (our basic policy paper) for FY 1956 in time to be of assistance to departments and agencies in working up their budgets for that year. Assuming that NSC 162/2 is to remain in effect throughout FY 1956, it should be helpful to each department and agency to outline to the Council late this spring guidelines under such policy." A copy of Cutler's memorandum of Mar. 23 to Secretary Dulles, enclosing Lay's memorandum of Mar. 22 to the NSC, is in S/P-NSC files, lot 61 D 167, "Guidelines under NSC 162/2, March–May, 1954".

The Department of State's Office of Intelligence Research (OIR) and Policy Planning Staff (S/P) began drafting outlines for a proposed interdepartmental study of the problem as early as Mar. 10 and 11. Thereafter, lengthy draft studies projecting and estimating international trends and policies were prepared by the staffs of both OIR and S/P. Papers exploring both topical and regional problems were drafted between Mar. 26 and May 14. On June 1, Bowie transmitted a 66-page draft entitled "Guidelines Under NSC 162/2—Fiscal Year 1956" to the Planning Board with a covering memorandum stressing that "this is a tentative draft which has not been cleared within the Department. It is made available in this form to provide a basis for preliminary discussion. The revised document will be submitted as promptly as possible." (PPS files, lot 65 D 101, NSC 5422)

On June 9, Bowie transmitted to the Secretary of State a 56-page draft study of the same title as that of June 1, together with four supporting studies devoted to "Prospects and Problems" in Western Europe, the Far East, South Asia, the Near East and Africa, and Latin America, respectively. These studies varied in length from 10 to 44 pages. A covering memorandum indicated that this represented the final Department of State contribution to the study. NSC 5422 and its annexes (*infra*) incorporate the previous Department of State studies projecting international trends and policies through 1959.

Documentation on the numerous draft papers and studies concerning projected problems and trends in international affairs through 1959, as a basis for guidelines for the fiscal year 1956 budget, is scattered throughout PPS files, lot 65 D 101, "NSC 5422 Staff Papers", "Basic National Security Policy", "NSC 162-5422", "Chronological, 1954", "Gullion Chronological", "Stelle Chronological". In addition, there is some documentation in S/S-NSC files, lot 63 D 351, NSC 5422 Series.

[3] Dated Oct. 30, 1953, p. 577.

[4] NSC Action No. 1125 noted discussion of an oral report on the "Fiscal Outlook" prepared by the Director of the Bureau of the Budget at the 198th meeting of the NSC, May 20, 1954 (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action 1954").

[5] NIE 11-5-54, "Soviet Capabilities and Main Lines of Policy Through Mid-1959", June 7, 1954, is scheduled for publication in volume viii. For text of NIE 13-54, "Communist China's Power Potential Through 1957", June 3, 1954, see volume xiv.

The enclosed study reflects the tentative conclusions reached by the NSC Planning Board in its effort to develop guidelines to implement NSC 162/2, which would govern our national security programs for Fiscal Year 1956, in the light of estimates of the world situation and outlook through Fiscal Year 1959. Where choices of alternatives were proposed in the Planning Board's consideration of this subject, these alternatives are indicated by brackets or parallel columns in the enclosed study.

The detailed studies of the world outlook and national security problems facing the United States through Fiscal Year 1959, with conclusions and possible courses of action, prepared by various departments and agencies, are contained in the Annexes to this report which are being circulated separately.

Based upon Council discussion of the enclosed study, and following further review by the respective departments and agencies, the NSC Planning Board will prepare and submit for early Council consideration such further report or reports as the Council may direct.

James S. Lay, Jr.

[Here follows a one-page table of contents.]

[Enclosure]

Study Prepared by the National Security Council Planning Board

TOP SECRET [Washington,] June 14, 1954.

Tentative Guidelines Under NSC 162/2 for FY 1956

I. ELEMENTS OF THE WORLD SITUATION AND OUTLOOK

The Soviet Threat Through Mid-1959 (NIE 11-5-54; NIE 13-54; and "Explanation of Table of Comparisons of Estimated Soviet Military Capabilities in Key Respects" in Annex 4 of NSC 5422) [6]

1. *Status of the Soviet Bloc*

a. The internal stability of the Soviet Union and its control of the European satellites have not diminished and may be expected to remain intact through 1959.

b. However, the Soviet bloc is faced with internal problems such as popular discontent in the satellites, agricultural shortages and opposition to collectivization, rivalries within the collective leadership and serious defections from the secret services.

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[6] Reference is to one of the agency studies prepared as annexes to NSC 5422, for texts of some of these, see pp. 667 ff.

c. Communist China has gained prestige more rapidly than anticipated; its power will continue to increase. Despite potential conflicts of interest, the present close Sino-Soviet collaboration will persist.

2. *Soviet Bloc Military Capabilities*

Estimates of certain current and future Soviet military capabilities have been raised substantially since the adoption of NSC 162/2. Key examples are shown in the following table:

	Current		Future	
	'53 Estimates of '53 Situation	*'54 Estimates of '54 Situation*	*'53 Estimates of '57 Situation*	*'54 Estimates of '59 Situation*
Nuclear Weapons (Energy yield)				
Largest Weapon	500–1000 KT	1000 KT	500–1000 KT	10,000 KT
Total Stockpile	6 MT	25 MT	25 MT	172 MT (tested technology) 860–4300 MT (possible technology)
Long-Range Bombers				
Prop. Medium (TU-4)	1000	1270	1200	400
Jet Medium ("39")	1 Prototype	20	50 (mid '55)	120 (mid '55) 600 (mid '59)
Turbo-Prop Heavy ("31")	1 Prototype	10	some possible	300
Jet Heavy ("37")	—	1 Prototype	—	100 (possibly 300)
Surface-to-Surface Guided Missiles				
450–500 mi. (V2 type)	—	—	Future Obscure	Operational by '56
Inter-Continental				
a pilotless bomber	—	—	Future Obscure	Possible in '59
b ballistic	—	—	—	—

	Current		*Future*	
	'53 Estimates of '53 Situation	*'54 Estimates of '54 Situation*	*'53 Estimates of '57 Situation*	*'54 Estimates of '59 Situation*
Air Defense				
All-weather fighters with A-I Radar	—	—	A few by '55	200 (mid '55) 2100 (mid '59)
Submarines				
Improved Ocean Patrol Submarines	20	47	100	295

Note. This table necessarily involves substantial simplification of estimates. A supporting memorandum, with full explanations and citations to National Intelligence Estimates, is included in Annex 4 of NSC 5422.

3. *Soviet Bloc Capabilities for Political Warfare, Subversion and Local Aggression*

a. Present and future Soviet Bloc capabilities for pursuing their objectives by action short of general war appear at least as great as, and possibly greater than, a year ago. Throughout most of the free world the Communists have the capability through hardcore activists to engage in a wide variety of disruptive tactics, ranging from organized civil war (as in Indochina) through persistent guerrilla activities (as in Malaya) to inflammatory demonstrations, propaganda, "popular fronts", and parliamentary harassment. Preferring a "creeping expansion" over resort to overt aggression, they will continue to take over spontaneous movements bred of nationalistic fervor or economic discontent and to exploit free world disunity.

b. In the period through 1959, the Soviet rulers will almost certainly believe that, as Soviet nuclear capabilities increase, the aversion of the U.S. and of its allies to general war will correspondingly increase, and that the Kremlin will therefore have greater freedom to take certain actions without running substantial risk of general war. It may employ the threat of nuclear devastation as an instrument of political warfare. It may attempt to gain some of its objectives by local military actions, calculating that the U.S. and its allies will be more anxious than before to keep such local conflicts from expanding into general war. The Kremlin will, however, continue to be extremely reluctant to precipitate a contest in which the USSR would be subjected to nuclear attack. At the same time, the Kremlin would probably not be deterred by the risk of general war from taking counteraction against an action by the U.S. or its allies which the Kremlin considered an imminent threat to Soviet security. The extent to which the Kremlin uses the increased freedom of action which its increased nuclear capabilities appear to give it, and the success which it achieves, will depend primarily on the cohesion of the non-Communist world, and the determination and strength of the major free world powers.

Trends in the Free World Through Mid-1959

4. *Military* (JCS study on "Estimate of the Military Posture Throughout the Free World, FY 1956 Through FY 1959," in Annex 2 of NSC 5422)

a. The U.S. will achieve atomic plenty during the early part of this period and prior to like achievement by the Soviets. The U.S. [is expected] [should be able] [7] to maintain relative numerical and qualitative superiority in nuclear weapons and the means for their delivery. As the Soviets approach the absolute atomic capability of inflicting critical damage upon U.S. and other allied targets, however, there could result a condition of mutual deterrence to [the deliberate initiation] [actions materially enhancing the risk] of general war.

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[7] All brackets in this document are in the source text.

b. Free World forces will be confronted with quantitative superiority in ground and tactical air forces in the geographical areas contiguous to the Soviet Bloc. However, the superior tactical atomic support which can be provided our Allies during this period will, if accepted by them, partially offset Allied deficiencies in conventional forces. Taken as a whole, effectiveness of European forces is considered fair to good. There has been no progress in forming West German forces and limited progress in forming Japanese forces. Events in Indochina have resulted in a suspension of planned re-deployments from the Far East. D-day NATO commitments of U.S. forces in Europe remain unchanged. No progress has been made in forming a strategic reserve based generally on U.S. territory, with a high degree of combat readiness and a capability of being moved to any threatened area.

5. *Alliances*

a. There have been serious instances of an unwillingness of important free world nations to take concerted action which the U.S. considers necessary to oppose communist expansion, particularly as regards Indochina, East-West trade, and EDC. West Germany is becoming restive because of protracted delay in recovering its sovereignty. The long-term alignment of Japan with the free world is less certain. The situation with respect to Indochina has deteriorated with unexpected rapidity, confronting the free world with the possible loss of Southeast Asia to communism.

b. The alliances of the free nations will continue to be strained by divisive forces and conflicts of interests which will be vigorously exploited by the USSR. In particular, unity of action will be impaired by:

(1) Increasing fear of the effects of nuclear weapons.
(2) Differing estimates of the nature and imminence of the Communist threat.
(3) Distrust of U.S. national purposes and leadership.
(4) Political instability and economic weakness of some of our allies.
(5) Conflicts regarding trade policy and economic integration.
(6) Historic hostility between certain of the allies.
(7) Differing approaches to "colonial" problems.

6. *Underdeveloped Areas*

The underdeveloped areas of the free world will be especially vulnerable to Soviet penetration and subversion by reason of nationalism and anti-colonialism, deep-seated distrust of the West, retarded economic growth, military weakness, political ferment. This danger will be most acute in Asia, in dependent areas such as French North Africa which are still under European rule, and in parts of Latin America.

II. ISSUES POSED BY NUCLEAR TRENDS

The Problem

7. With the growth both in Soviet nuclear capabilities and in the power of nuclear weapons themselves, in the period 1956–59, a total war involving the strategic use by both sides of nuclear weapons would bring about such extensive destruction as to threaten the survival of Western civilization and the Soviet regime.

8. Under these circumstances, the freedom of either side to initiate the use of strategic nuclear bombing against the other may be circumscribed by:

a. The fear of the effects of retaliatory use of such strategic bombing; and

b. The possibility that neither side would gain a [net] [decisive] military advantage from such an exchange of nuclear blows.

9. This situation could create a condition of mutual deterrence in which both sides would be strongly inhibited from [deliberately initiating] [actions materially enhancing the risk of] general war.

Prevention of Soviet Nuclear Attack

10. To ensure Soviet fear that strategic nuclear attacks upon the U.S. would be followed by the nuclear devastation of the USSR, the U.S. must maintain the striking forces necessary for such retaliation.

11. Even if this is done, however, the deterrent to Soviet strategic nuclear attack would be eroded if the Kremlin came to believe that it could, through surprise nuclear strikes, destroy U.S. retaliatory capacity.

The U.S. must, therefore, take whatever measures are necessary to protect this retaliatory capacity against any foreseeable Soviet attack. The expenditures necessary for this purpose are a prerequisite to U.S. survival.	It is, therefore, essential that the United States take all practicable measures to protect this retaliatory capacity against any foreseeable Soviet attack.

12. To enhance the deterrents to, and defense against, Soviet nuclear attack, active and passive continental defense programs should be carried out to reduce [to manageable proportions] the damage and casualties likely to result from such attack.

Disarmament

13. The U.S. should explore fully the possibility of reaching a practicable arrangement for the limitation of armaments with the USSR. Such an arrangement would be a more certain and economical method of meeting the threat posed by the growing Soviet nuclear capabilities than any other course of action discussed in this paper. The U.S. should therefore continue to reexamine its position on disarmament, especially (1) whether a system of safeguards can be devised entailing less risk for U.S. security than no limitation of armaments and (2) whether the U.S. should be willing to agree to effective nuclear disarmament in the absence of conventional disarmament.

10.[8] a. The question of limitation of armaments should not be treated in this paper because it is currently being considered under NSC Action No. 889-c.[9]

b. In the light of the Soviet production of fissionable materials which has already taken place, there is serious question whether any safe and enforceable system for the limitation of armaments can be achieved, so long as the Soviet regime and objectives remain substantially as they are today.

General War

14. If general war should occur, the U.S. must be able to wage it with a maximum prospect of achieving U.S. objectives. At present, the U.S. ability to do so depends, in part, on its determination and ability to mount massive nuclear attacks upon the USSR.

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[8] This paragraph is apparently misnumbered on the source text.

[9] NSC Action No. 899-c, taken at the 161st meeting of the NSC, Sept. 9, 1953, noted the agreement by the NSC "to recommend to the President that the Secretaries of State and Defense and the Chairman of the Atomic Energy Commission be appointed a special committee to review, as a matter of urgency, the current disarmament policy contained in NSC 112, with particular reference to the international control of atomic energy, and to report back to the Council their findings and recommendations". (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action") For documentation on the NSC 112 Series and the entire disarmament policy, see pp. 845 ff.

In the face of possible nuclear balance in 1956–59, there is serious question whether the U.S., while maintaining maximum strategic nuclear capabilities, can continue to place major reliance thereon as a means of waging general war. Consequently, the U.S. should undertake to increase the forces and mobilization potential which the U.S. and its allies would need to wage war effectively without strategic use of nuclear weapons.

Despite the advent of nuclear balance, the U.S. must accept the risks involved in relying upon strategic nuclear capabilities as a means of waging general war, and must employ its scientific knowhow and industrial superiority to maintain qualitative advantage over the Soviets. The U.S. must continue to make clear its determination to meet Soviet attack with all available weapons. Only in this way can there be a maximum deterrent to general war, which if it comes will in all probability involve the unrestricted use of nuclear weapons.

15. The expected nuclear balance is unlikely to create a permanent stalemate in the arms race. Therefore a sustained effort must be made to invent and develop capabilities which will provide decisive preponderance to U.S. power.

16. There is increasing possibility that part or all of the U.S. overseas base complex, may become ineffective in the event of general war, because of political reasons (including susceptibility of the local government to atomic blackmail) or military reasons (exposure to immediate destruction by enemy action). The U.S. should, while exerting continued efforts to strengthen collective defense arrangements including the ability to use such bases for nuclear attack in the collective defense of the free world, also increase emphasis on developing the maximum self-sufficiency for the conduct of retaliatory operations consistent with sound military concepts [with commensurate reduction in future overseas base construction programs].

17. Because of increasing Soviet nuclear capabilities and the increasing possibility of attempted peripheral expansion, which might precipitate general war by miscalculation, it is necessary for the U.S. to make greater efforts than are presently contemplated to:

17. Present and planned implementation of programs under paragraphs 9, 10, and 34 of NSC 162/2 are considered fully adequate to meet the risks of increasing Soviet nuclear capabilities and the increasing possibility of attempted peripheral expansion.

a. Develop war reserves of matériel and develop and maintain a broad mobilization base adequate to (1) support the U.S. forces in general war and (2) provide substantial support to allies who do not have an adequate mobilization base. (See IV)

b. Move more rapidly to develop reserve forces capable of bridging the gap between M-Day and the creation of new units from the raw manpower pool.

c. Establish an adequate strategic reserve in being, in addition to the forces deployed abroad in support of existing commitments, together with sea and air transportation to give this reserve adequate mobility.

Local Soviet Bloc Aggression

18. U.S. policy to deter or defeat overt Communist aggression will be accomplished, in part, by the programs described above to maintain and enhance the U.S. capability to wage general war. This capability will continue to be a deterrent to identifiable overt aggression so long as the Communists believe that such aggression could eventually lead to general war.

19. As a nuclear balance is approached, however, the wisdom and necessity of avoiding general war will become increasingly apparent to both sides. Under such circumstances, the Communists may believe that the U.S. would be unlikely to respond to certain local aggressions by initiating general war. Accordingly, the U.S. should be prepared to defeat such aggressions without necessarily initiating general war. To accomplish this result will require the use of a U.S. strategic reserve and indigenous defense forces, supplemented as required by U.S. forces and logistical support. However, the Communists must be convinced of U.S. determination to take [, unilaterally if necessary,] whatever action its security position requires, even to the extent of general war.

Communist Expansion Other Than by Overt Aggression

20. Aided by their increasing nuclear capabilities, especially as a state of atomic balance with the U.S. is approached, the Communist powers are likely to pursue a strategy of further expansion through subversion, indirect aggression, and the instigation or ex-

ploitation of civil wars in free world countries, as in Indochina. The advantages of such a strategy, if successful, lie in the continued accretions to Communist strength and prestige and the progressive weakening of the free world coalition, both politically and militarily, while the involvement of the main sources of Communist power is avoided. This Soviet threat of piecemeal conquest can be countered only by an integrated and flexible combination of political, military, economic and psychological actions participated in by many nations and given determined leadership by the United States. In view of the threatened loss of Indochina, the U.S. cannot possibly accept further significant extension of Communist control; it must act, both in relation to the Communist powers and to the peoples of threatened areas, so as to prevent such extension of control. In particular, the U.S. should:

a. Take political and economic measures to strengthen the countries exposed to such indirect aggression, as indicated in Section III below.

b. Provide military aid and training to friendly governments threatened with or fighting armed Communist local forces.

c. Take all feasible political, economic and covert measures to counter the threat of any such groups or forces responsive to Communist control to achieve dominant power in a free world country.

d. In instances of civil war, be prepared to take military action in support of friendly free world governments or forces fighting against elements under Communist control; [the decision to take such action would depend on all the circumstances existing at the time, including the risk of intervention by Soviet or Chinese Communist forces.]

III. MAINTENANCE OF THE COHESION OF THE FREE WORLD

Relations with Our Allies

21. The growth of Soviet nuclear power and the increasing destructiveness of nuclear weapons will make our allies more fearful of war and more cautious of action that might lead to war. In the imminence of general war some of them might choose a position of neutrality and default on their alliance obligations.

22. Factors of division and weakness in the alliance may make it difficult to take decisive action, on a basis of full agreement, to halt further Soviet expansion in the Free World, particularly in Asia.

23. Nevertheless, major allies will continue to be essential to the U.S. to prevent the loss to Communist control of major free areas and the gradual isolation of the U.S.

24. In these circumstances the U.S. should take action to strengthen the cohesion of the alliances under U.S. leadership:

a. By convincing its allies, by its conduct, that:

(1) The U.S. retaliatory capacity will continue to be maintained as a deterrent to Soviet power.

(2) The U.S. and its allies will be able to meet the threat of aggression in case of nuclear balance.

(3) The U.S., as a leading member of the alliances, will act responsibly and with due regard for their security as well as its own.

b. By continuing to build political, economic and military strength in Western Europe, which is a major source of free world power, provides our principal allies, and plays an essential role in preventing Soviet expansion, especially by:

(1) Promoting European integration based on Franco-German cooperation and German association with the West and participation in Western defense.

(2) Strengthening NATO despite temporary setbacks such as a failure to achieve EDC.

(3) Economic measures to help Europe meet its need for wider markets and an expanding economy.

(4) Consideration of closer U.S. association with Europe if necessary to achieve our objectives.

25. The U.S. should attempt to gain maximum support from the free world, particularly from allies and uncommitted countries most interested in the threatened area, for the measures necessary to prevent Communist expansion by direct (paras. 18–19 above) or indirect (par. 20) aggression. Any decision to act without our major allies would be made according to the factors present in the particular situation. As a broad rule of conduct:

The U.S. should undertake unilateral action only when the anticipated benefits thereof will clearly and materially exceed the lasting damage to the alliance. The U.S. cannot afford the loss of major allies unless vital security considerations leave us no alternative.	The U.S. should exercise maximum freedom of action in pursuing U.S. objectives consistent with maintaining the alliances. In this connection it must be realized that the vital importance of the U.S. to the security of Western Europe makes it unlikely that our major allies will shift allegiance lightly.

Allied reluctance to act should not inhibit the U.S. from taking action, including the use of nuclear weapons, to prevent significant Communist territorial gains when such action is clearly necessary to U.S. security.

Relations with the Uncommitted Areas

26. The underdeveloped countries of Asia and the Middle East have important resources, strategic positions and manpower which the free world cannot afford to lose to Communist control, although

they will not provide important elements of free world power or major U.S. allies.

27. U.S. policies should include:

a. Appropriate warning to the Communist powers that the U.S. will react with military force in the event of their overt unprovoked armed aggression.

b. Measures to enhance the will and ability of the free nations of the area to defend their independence against Communist subversion and to resist Communist aggression.

28. The U.S. should mobilize government and public support for a new initiative to strengthen the nations of Asia and the Middle East along the lines of 27-b above. To this end the U.S. should:

a. Assist these nations to meet their pressing economic problems, as indicated in paragraphs 29 and 30 below.

b. Seek their cooperation on a basis of mutual self-respect without attempting to make active allies of those not so inclined.

c. Refrain, so far as feasible, from taking or supporting actions which needlessly run counter to the forces of anti-colonialism and legitimate nationalism. In particular, be willing to act more independently of our European allies on non-European questions, especially where this will enlist the cooperation of non-European peoples.

Economic Policies and Programs

29. *Economic Development.* It should be a major objective of U.S. policy to help accelerate present rates of economic growth in the underdeveloped areas, particularly in South and Southeast Asia and parts of Latin America. While economic growth alone will not assure political stability in the under-developed countries, its continued absence will contribute to increasing instability and opportunities for Communist subversion. There is general agreement on many of the steps to be taken to hasten economic development (such as continuing U.S. technical assistance and exchange programs, encouragement for private investment abroad and greater self-help), but a major issue arises concerning the scope, size and duration of the use of public funds (both loan and grant). Where important development programs cannot be financed by local or foreign capital, or U.S. private capital, U.S. public funds

should be made available in progressively reduced amounts and should be limited to a few countries where such use would appear to make an unusually important contribution to U.S. security.

should be made available in countries where accelerated rates of growth are required for the attainment of U.S. objectives and where such funds can be used effectively.

30. U.S. stockpiling program [should] [should not] be used to help stabilize international markets for the exports of under-developed countries in order to enhance their foreign exchange position and assist in their internal development.

31. *Regional economic action.* The U.S. should encourage regional economic actions and groupings to promote increased trade, technical cooperation, and investment, and to concert sound development plans. Specifically, the U.S. should take the initiative in free Asia by encouraging free Asian countries to form ties of closer economic cooperation and to prepare a sound regional economic program, based upon mutual self-help and the cooperation and support of the U.S. and other industrialized countries. The U.S. should assist in the carrying out of such a program and encourage such industrialized countries to participate in and support such programs. In connection with such regional groupings:

Regional trade and payments arrangements should not involve discrimination against the U.S. and other areas of the free world.	Within certain regions, special trade and payments measures, even including some discrimination, may be more effective in the short run than uniform world-wide arrangements and better prepare the way for later participation in such arrangements.

32. *Promotion of freer trade and payments.* To lead the free world to the reduction of restrictions on trade and payments, the U.S. should:

a. Support sound moves toward convertibility, with appropriate action on related trade matters.

b. Urge and bargain with other free world countries to reduce barriers to their imports.

c. Support continued effective action in OEEC on intra-European and dollar trade and, prior to moves to convertibility, on intra-European payments.

d. Reduce barriers to U.S. imports

in line with the President's March 30 Message to Congress on the Randall Report.[10]	to an even greater extent than recommended in the President's March 30 Message to Congress on the Randall Report.

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[10] This message is printed in *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1954*, pp. 352–364. For documentation on the Randall Commission report, see vol. I, Part 1, pp. 49 ff.

U.S. Assistance to Military Forces of Friendly Countries

33. a. With regard to forces now planned by allied countries with U.S. concurrence, most of these countries will not be able to bear the total costs (local budget and foreign exchange) of bringing such forces to, and of maintaining them at, a high degree of combat effectiveness.

b. Present estimates indicate a need from the U.S. for:

(1) *End-item aid.* Certain additional programs of build-up items; some continuing provision of spare parts and replacement items; and a limited contribution toward modernization.

(2) *Economic aid for military support.* For some countries limited economic aid will also be necessary to support the planned level of forces; this aid can probably decline from the present level in Europe; the level in Asian areas, while apt to remain high, is dependent on current developments.

c. The levels of U.S. aid cannot be finally determined, however, until judgments are available as to whether there are any changes in the size and degree of effectiveness of allied forces which the U.S. desires and in the extent to which allied countries can meet their needs from their own resources.

IV. MOBILIZATION

34. The U.S. mobilization potential to provide arms and military equipment consists of (a) active and inactive facilities for military end item production, (b) general industrial capacity, including new supplies of materials, which can be put to defense and defense supporting use and (c) military reserves of end items. The U.S. mobilization potential is stronger than ever before in peacetime.

35. The facilities actively producing non-nuclear military end items have declined in number in FY 1954. Under current plans this decline will continue through FY 1956. Thus the time required to get back into large scale production will be lengthened. This delay may be offset in part by maintaining the production equipment and some of the facilities in the best possible standby or readiness status for future use.

36. Although general industrial capacity may be expected to continue to grow during the period ahead, immediately available capacity for many secondary products used either directly or in sup-

port of military production may decline as specialized military demand declines.

37. Military reserves of end items have been built up in the past four years. Some items will be further added to reserves in FY 1955-56. There will be obsolescence of some items in the reserves. This latter trend is accelerated in periods of rapid change in military plans and technology, such as the present.

38. The net effect of the factors outlined above appears to be that through FY 1956, our net matériel mobilization potential for meeting the rapid increase in military needs in the early stages of a global war will decline.

39. The capacity to produce certain types of military end items (e.g., aircraft and guided missiles) and certain types of general industrial products (e.g., common components), may not be adequate to meet the requirements of global war.

40. In view of the fact that about two-thirds of the general industrial capacity of the country is concentrated in fifty key target areas, its availability in the event of global war must be measured against the increasing capability of the USSR for direct attack on the U.S.

41. New weapons, in certain respects, constitute a special problem in relation to industrial capacity. Normally, latent changes accumulate between crises. Introduction of major modifications or entirely new weapons at the onset of war may create a large new demand for capacity in a relatively narrow sector of the industrial system. Where new major weapons are likely to render existing types obsolete, the risk of critical bottlenecks and delays can be minimized by developing facilities and techniques for their production, and by production, as rapidly as economically feasible.

42. The advantages of mobilization capacity as opposed to reserves of military end items are generally held to be (1) slower obsolescence rate and (2) lower pre-war cost. For established weapons which have had, and it appears will continue to have, a low obsolescence rate the first advantage is reduced. In light of the increasing Soviet capabilities for direct attack, the war risk of not having the items in adequate quantities must be weighed against the pre-war costs. In some cases pre-war procurement of a high proportion of war needs may be indicated.

43. Finally, to be meaningful, estimates of the adequacy of the mobilization potential must be set against an agreed and tested set of requirements and factored for probable attack damage.

44. To maintain the mobilization potential, the U.S. should:	44. Maintenance of the mobilization potential should be achieved within the framework of present and planned programs for implementation of paragraphs 9, 10, and 34 of NSC 162/2.
a. Place increased emphasis on acquisition of reserves of selected low-obsolescent end items in order to offset the vulnerability of our industrial base.	
b. Give much greater emphasis to programs, over and above those now contemplated, designed to secure the safe location of at least that industrial capacity essential to the most vital weapons systems (e.g., guided missiles, aircraft, etc.).	
c. Give increased emphasis to (1) procurement and safe storage of long-lead-time tools and (2) processing of important materials to the most advanced possible stage, to reduce the period of loss of military end item production as well as industrial production generally.	
d. Rapidly establish in safe areas additional capacity for those military and civilian products for which severe deficiencies are known to exist.	
e. Accelerate both the current production of important new weapons and the establishment in safe areas of adequate capacity for important weapons in order to minimize the production delays in time of war.	e. So for as practicable, encourage the dispersion in safer areas of new building of productive capacity important to the mobilization base, and, where this is infeasible, plan on duplicate production.

f. Provide for adequate maintenance of existing mobilization capacity, including maintenance of production of primary hard-goods items at levels adequate to support a general war.

V. FISCAL AND BUDGETARY

45. Level of future U.S. national security expenditures:

a. The budget outlook for fiscal years 1956 and 1957 would be as follows, assuming projection at 1955 levels of expenditures for major national security programs and foreign economic aid, and continuation of the present policy of reducing all other expenditures to the maximum extent possible.

(In billions)	*1956 Projection*	*1957 Projection*
Budget Receipts		
1. Indicated Total (under President's tax program and subsequent action by Congress)	*$59.0	*$59.2
Budget Expenditures		
2. Estimate for non-NSC programs:		
a. Relatively uncontrollable	14.5	14.1
b. Other (goals)	5.3	5.0
c. Total	19.8	19.1
3. NSC programs at 1955 level	46.0	46.0
4. Indicated total (2 plus 3)	65.8	65.1
Indicated Gap		
5. To balance budget (4 minus 1)	6.8	5.9
6. Additional desirable tax cuts	2.9	6.1
7. To balance budget with tax cuts (5 plus 6)	9.7	12.0

*These figures assume extension of present excise on liquor, tobacco, and gasoline, due for reduction on April 1, 1955, under existing law, which would involve tax losses of $1.2 billion in 1956 and $1.1 billion in 1957. [Footnote in the source text.]

b. In the 1955 Budget Document, security expenditures for FY 54 were programmed at $50 billion and for FY 55 at $46 billion. Continued reduction in security expenditures, at this approximate rate, would result in FY 56 security expenditures of approximately $42 billion and FY 57 security expenditures of approximately $38 billion. This would reduce the indicated gap figures (lines 5 and 7 in para. (1) above) by approximately $4 billion in FY 56 and approximately $8 billion in FY 57.

c. From the standpoint of total security expenditures the following represent alternative courses of action:

(1) Increase expenditures for NSC programs above FY 55 level.

(2) Continue expenditures for NSC programs at approximately FY 55 level.

(3) Continue to reduce expenditures for NSC programs at the current rate of reduction from the preceding year.

(4) Reduce expenditures for NSC programs at greater than current rate of reduction from the preceding year.

46. The money which would be required above anticipated revenues to finance expenditures in excess of receipts could be raised by (a) borrowing; (b) increased revenues (chiefly increased taxation); or (c) some combination of (a) and (b). The decision on the most desirable methods of financing would depend upon other circumstances that might exist or develop. Such circumstances would include the state of the economy, the impact upon it of various contingencies and of other measures which might be put into effect including controls, and the extent to which receipts from existing taxes might be expected to be affected.

VI. U.S. ECONOMIC OUTLOOK

(For a report by the Council of Economic Advisers on the subject see Annex 5)[11]

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[11] Annex 5 is not printed. (S/S-NSC files, lot 63 D 351, NSC 5422)

S/S-NSC files, lot 63 D 351, NSC 5422 Series

Agency Studies Prepared for the National Security Council[1]

TOP SECRET [WASHINGTON,] June 14, 1954.

Annexes to NSC 5422

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON TENTATIVE GUIDELINES UNDER NSC 162/2 FOR FY 1954

References:

A. NSC 162/2

B. NSC Action No. 1125

C. NIE 11-5-54 and NIE 13-54

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[1] Copies to the Secretary of the Treasury; Attorney General; the Directors of the Bureau of the Budget and Central Intelligence; the Chairmen of the Council of Economic Advisers, the Atomic Energy Commission, and the Joint Chiefs of Staff; and the Federal Civil Defense Administrator.

The enclosed annexes containing detailed studies of the world outlook and national security problems facing the United States through Fiscal Year 1959, with, where appropriate, conclusions and possible courses of action are circulated herewith for the information of the National Security Council in connection with its consideration of NSC 5422. These annexes were prepared by the respective departments and agencies as indicated.

The following annexes are being circulated:

No. 1. *Free World Political Outlook and Problems, FY 1956 Through FY 1959* (Prepared by the Department of State)

No. 2. *Estimate of the Military Posture Throughout the Free World, FY 1956 Through FY 1959* (Prepared by the Department of Defense)

No. 3. *Summary Estimate of Economic Outlook for the Free World Nations Through FY 1956-1959* (Prepared by FOA)[2]

No. 4. *Soviet Capabilities and Main Lines of Policy Through Mid-1959* (Prepared by CIA)

No. 5. *Estimate of the Outlook for the United States Economy, Fiscal Years 1956-1959* (Prepared by the Council of Economic Advisers)[3]

No. 6. *Basic Assumptions on Alternatives for Maintaining, Broadening and Protecting the Mobilization Base, and for Building up Reserves of Military End Items or Materials* (Prepared by ODM)

Annexes 2-6 are enclosed herewith. Annex 1 will be circulated when it is received. Any additional comments prepared by the Department of Defense in accordance with the first paragraph of the transmittal memorandum from the Acting Secretary of Defense contained in Annex 2 will also be circulated when they are received.

It is requested that special security precautions be observed in the handling of the enclosures that access to them be very strictly limited on an absolute need-to-know basis.

JAMES S. LAY, JR.

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[2] Annex 3, 16 pages, is not printed. (S/S-NSC files, lot 63 D 351, NSC 5422)

[3] Annex 5 is not printed. (S/S-NSC files, lot 63 D 351, NSC 5422)

Annex 1

Study Prepared by the Department of State [4]

[Extracts]

TOP SECRET [WASHINGTON, undated.]

FREE WORLD POLITICAL OUTLOOK AND PROBLEMS THROUGH FY 1956-59

INTRODUCTION

This paper is designed to direct attention to those issues and areas on which U.S. policy should place primary emphasis during the period 1956-59, and to indicate the main lines of action which the U.S. should pursue in regard to these issues or areas.

Any such analysis must, of course, start from the Communist threat. Between now and 1959, the Communist bloc will markedly increase its military capabilities, especially nuclear power; will probably maintain its political cohesiveness and stability; and will continue its steady economic growth. During this period the bloc can also be expected to remain hostile toward the West, willing to accept whatever risks and costs seem necessary to maintain its security against the West, and anxious to extend its influence throughout Eurasia by the methods promising the greatest success at the least risk.

The Communist bloc's specific intentions will be largely shaped, however, by the policies of the free world. And its relative capabilities will be significantly affected by the actions which the free world takes to improve its economic, political, and military position.

The free world's posture, in turn, will be largely determined by its reactions to three major forces: increasing East-West nuclear capabilities, unresolved economic problems, and the force of nationalism in certain regions. These forces are discussed in Part I of this paper.

Part II of this paper discusses four major policy problems which will face the U.S. during the next five years and which arise at least in part from general trends treated in Part I. These are:

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[4] The source text is the first of six numbered annexes mentioned by Lay in his note of June 14, above. As Lay stated therein, the Department of State annex was to be circulated separately, but it has not been determined on which day this took place. For additional information on the extensive background of this paper and the apparent date on which it was completed, see the second footnote 2, p. 647.

a. the nuclear equation;
b. U.S. economic leadership;
c. the maintenance of independent non-Communist governments in Asia;
d. the maintenance of the alliance in Western Europe.

These problems were selected because they seemed likely to be both of critical importance to U.S. security and susceptible of being substantially influenced by U.S. actions which would materially affect budget planning.

Part III of this paper draws conclusions as to the main lines of U.S. action which would seem to be called for during the period 1956–59 in the light of the foregoing analysis.

. . . .

III. CONCLUSIONS

1. *The Nuclear Equation.* The U.S. should review its present disarmament position to consider how to enhance the prospects for an acceptable system which would reduce or remove the threat of unlimited nuclear warfare.

In the absence of any agreed limitation of armaments, the U.S. military posture should be such as to minimize the likelihood of Communist aggressive action and to maximize support in the free world for U.S. policies. To this end, the U.S. should maintain:

a. a retaliatory and defensive capacity adequate to deter Soviet nuclear attack;
b. the ability to respond forcefully to Communist aggression on a scale and in a manner suited to the attainment of our political objectives;
c. a position which would permit waging general war effectively in defense of vital U.S. interests. The U.S. should begin to consider what measures would be necessary for this purpose if the strategic use of nuclear weapons should become infeasible for military or other reasons.

2. *U.S. Economic Leadership.* The U.S. must be prepared to assume responsibilities for economic leadership in the free world on a scale commensurate with its political and military commitments.

a. In order to accelerate present rates of economic development in under-developed countries, the U.S. should:

  (1) explore the possibilities for long-term Western European and Japanese financing of development projects that would benefit the under-developed areas and provide a sound basis for increased trade between them and these industrialized regions;
  (2) consider programs to help stabilize international markets for the under-developed countries' exports;

(3) encourage U.S. private investment abroad, and maintain and seek to enhance the effectiveness of U.S. technical aid programs and existing public lending operations;

(4) insofar as the above actions do not produce accelerated rates of growth consistent with the attainment of U.S. political objectives in key under-developed countries, provide public funds on a grant or more flexible loan basis, to the extent that this is warranted by conditions in the recipient countries;

(5) seek to induce the free Asian countries to form ties of closer economic cooperation and to prepare sound regional economic development programs for South and Southeast Asia, to whose fulfillment they could all contribute in varying ways, and whose execution the U.S. could assist through the policies discussed above.

b. In order additionally to enhance the resources and productivity of the free world generally, and to assist in the solution of Western Europe's and Japan's long-term trade problems, the U.S. should press forward vigorously with policies directed toward currency convertibility and the reduction of restrictions on trade and payments in the free world, including the U.S.

3. *U.S. Policy in Asia.* The U.S. should initiate and support programs to create greater strength and stability in East and Southeast Asia, and should make clear that it would react with military force to any overt Chinese Communist aggression. It should take such increased economic measures and adopt such a political posture toward India and Pakistan as would enhance the possibility of South Asia's becoming a significant counter-weight to the growing strength of Communist China.

4. *U.S. Policy in Western Europe.* The U.S. should continue policies designed to bring about greater political, economic, and military strength in all of Western Europe. To this end, it should seek to promote more rapid progress toward integration by the adoption of a flexible series of actions, involving possibly greater immediate emphasis on political and economic than military integration, and, if necessary, should consider closer U.S. association with Western Europe.

Annex 2

Study Prepared by the Department of Defense [5]

[Extract]

TOP SECRET [WASHINGTON, undated.]

ESTIMATE OF THE MILITARY POSTURE THROUGHOUT THE FREE WORLD, FY 1956 THROUGH FY 1959

This study consists of five main sections as follows:

1—Anticipated Military Posture of the United States.
2—Anticipated Military Posture of the Free World.
3—Anticipated Soviet Bloc Military Posture and Intentions.
4—Summary of Relative Capabilities During the Period FY 1956-1959.
5—Conclusions and Recommendations.

. . . .

CONCLUSIONS AND RECOMMENDATIONS

26. Fundamental to the attainment of an effective Free World military posture, under the United States concept of collective security is the development and maintenance of solidarity on the part of our Allies to the point where they will not only unite in the determination of measures vital to the common security, but will support those measures when the need arises. Recent developments indicate that the firm foundation requisite to prompt and effective action in implementation of the concept of collective security has not yet been fully achieved. Failure to achieve the political framework which will permit collective action against Communist aggression could alter appreciably the efficacy of Free World military posture during this period.

27. The deteriorating international situation, as evidenced in Indochina, and the uncertainty over the outcome of negotiations now in progress will probably occasion some changes in the planned U.S. military programs for FY 1956 and FY 1957, as re-

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[5] This is the second of six numbered annexes transmitted by Lay to the NSC in support of NSC 5422. The source text is accompanied by a covering memorandum to Lay from Robert B. Anderson, Acting Secretary of Defense, dated May 25, 1954, which reads, in part: "Recognizing the comparative urgency of Planning Board work on the general problem of developing guidelines under NSC 162/2, I am forwarding the JCS study before there has been time for adequate discussions between the Office of the Secretary of Defense and the Joint Chiefs of Staff. The study may, however, be provided members of the NSC Planning Board at this time. Any further factors or comments which may be brought out by the joint conversations between my office and the Joint Chiefs of Staff will be transmitted as soon as practicable."

ferred to in paragraph 2 above, and in budget estimates for those years.

28. Events in Indochina, which have resulted in a suspension of planned redeployments from the Far East, coupled with our continuing D-day NATO commitments of forces in Europe are delaying the constitution of a strategic reserve, based generally on U.S. territory, with a high degree of combat readiness and a capability of being moved to any threatened area. Prolonged continuance of this situation will require re-examination of the personnel and major force ceilings as presently planned.

29. The United States should continue to maintain its over-all superiority in offensive striking power. In addition to continued emphasis on capability for inflicting massive damage, this will involve carrying out programs to increase the striking power, with and without atomic weapons, of all U.S. forces which can be brought to bear on the enemy.

30. Although the continental defense system will be improved both qualitatively and in scope, a corresponding improvement can be expected in Soviet offensive capabilities, and therefore the degree of adequacy of the continental defense system will be questionable. Measures should be taken to provide a continental defense structure which will insure a reasonable defense of our vital mobilization base. To this end:

a. Development of equipment and techniques necessary to increase the effectiveness of the continental defense system should be emphasized.

b. Military programs in support of the policy guidance in NSC 5408 should be implemented as rapidly as possible.

c. The adequacy of these programs should be kept under continuous review to insure that the highest practicable degree of continental defense is maintained.

31. Free World forces will retain their ability to protect essential air communications and the essential sea communications in ocean areas. In peripheral seas close to the Soviet Bloc they will be unable to exercise the degree of control desirable for most effective offensive action.

32. The Free World forces will be confronted with quantitative superiority in ground and tactical air forces in the geographical areas contiguous to the Soviet Bloc. However, the superior tactical atomic support which can be provided our Allies during this period will partially offset the Allied deficiencies in conventional forces.

33. Prompt action should be initiated to arrest the present trend of limiting our war reserves and of narrowing our mobilization base, in order that the mobilization base of the United States will

be capable of the necessary rapid expansion to meet the matériel requirements of a general war, including aid to our Allies.

34. The maintenance of qualitative superiority of our armed forces personnel in light of quantitative requirements will become increasingly difficult under existing draft policies and as the result of the serious decline in the attractiveness of military service as a career. Draft policies should be re-examined periodically. The recommendations contained in the Womble Board Report for increasing the attractiveness of the military career should be promptly and effectively implemented.

35. In order to maintain qualitative superiority in matériel, there should be continuing emphasis on programs for scientific research and development and for the continuous modernization and replacement of equipment for active and reserve forces.

36. A satisfactory Free World military posture will be dependent in large measure on the continuation of military assistance to selected countries and the early establishment of German and Japanese forces.

a. Effective military assistance on a selective basis should be continued in order to increase the ability of indigenous forces to provide for the security of their national territories, to contribute to the overall Free World capability to resist aggression, and to lessen the reliance of the Free World upon United States military power. Substantial reduction of military assistance, with its possible cumulative reduction in Free World military posture, might require reexamination of the planned U.S. military posture.

b. Positive measures should be taken in order to attain at an early date a German military contribution to the Free World military posture, preferably through ratification of EDC; otherwise by alternative means. Similar action to insure a sizeable Japanese military contribution is essential.

37. By virtue of the nature of the Soviet political system and the fact that the deployed Soviet forces are considered capable, without further mobilization, of initiating strong ground, naval, and air offensives, the USSR has the capability of achieving strategic surprise. This underlines the necessity of placing greatly increased emphasis on the development and maintenance of the intelligence system called for in NSC 162/2.

38. Technological advances by both the Soviet Bloc and the Free World present problems of defense and opportunities for increased offensive capability. These considerations require that the United States place emphasis on:

a. Maintaining superiority in weapons and weapons delivery systems,

b. Reducing the vulnerability of critical elements of our warmaking capacity.

c. Developing and maintaining the intelligence system referred to in paragraph 35 above, and

d. Developing an adequate combat ready, strategic reserve with a high degree of mobility.

39. The United States is faced today with the problems associated with limited military aggression. Additional instances may arise in the period 1956–1959. NSC 162/2 recognizes that such aggression may compel the United States to react with military force either locally at the point of attack or generally against the military power of the aggressor. This requires a mobile strategic reserve. The U.S. concept of collective security envisages that in countering such aggression our Allies should furnish the bulk of the ground forces required, make available base sites, and furnish certain facilities. The United States should continue to contribute, within its capability, additional military forces and matériel toward meeting requirements.

40. United States reaction to limited aggression should be attended by a degree of national mobilization commensurate with the increased risk of general war.

41. While both the USSR and the United States will enter the era of atomic plenty during the period FY 1956–59, Allied numerical and qualitative superiority in atomic weapons and means for their delivery will continue to be maintained. However, increasing Soviet atomic capability will tend to diminish the deterrent effect of United States atomic power against peripheral aggression. With respect to general war, the attainment of atomic plenty by both the United States and the USSR could create a condition of mutual deterrence in which both sides would be strongly inhibited from initiating general war. Under such circumstances, the Soviets might well elect to pursue their ultimate objective of world domination through a succession of local aggressions, either overt or covert, all of which could not be successfully opposed by the Allies through localized counteraction, without unacceptable commitment of resources. The Free World would then be confronted with a situation in which the only alternative to acquiescence in progressive accretions of territory, manpower, and other resources by the Soviet Bloc would be a deliberate decision to react with military force against the real source of the aggression. This situation serves to emphasize the time limitation, as recognized in paragraph 45 of NSC 162/2, within which conditions must be created by the United States and the Free World coalition such as to permit the Soviet-Communist threat to be met with resolution, to the end that satisfactory and enduring arrangements for co-existence can be established.

Annex 4

Study Prepared by the Central Intelligence Agency [6]

TOP SECRET [WASHINGTON, undated.]

SOVIET CAPABILITIES AND MAIN LINES OF POLICY THROUGH MID-1959

1. Reports by the Central Intelligence Agency on "Soviet Capabilities and Main Lines of Policy Through Mid-1959" and "Communist China's Power Potential Through 1957" have been circulated separately as NIE 11-5-54 and NIE 13-54 respectively. [7] The purpose of the following statement is to provide the back-up for the necessarily simplified Table of comparative 1953 and 1954 estimates of Soviet Bloc military capabilities contained on page 2 of NSC 5422.

Explanation of Table of Comparisons of Estimated Soviet Military Capabilities in Key Respects

2. The National Intelligence Estimates of Soviet Bloc military capabilities available to the Council at the time NSC 162/2 was adopted were:

NIE-65, "Soviet Bloc Capabilities through 1957," published June 16, 1953 [8]

NIE-90, "Soviet Bloc Capabilities through Mid-1955," published August 18, 1953 [9]

Appendices to NIE-90, published October 13, 1953. Inevitably, the later estimates overlapped, and in a few cases shaded for comparable periods, the earlier ones. The Table was based on the later estimate in such cases.

3. For the present exercise, the final approved text of NIE 11-5-54, "Soviet Capabilities and Main Lines of Policy through Mid-1959," published June 7, 1954, was used throughout. This text superseded earlier drafts of this estimate, which were necessarily used for the CIA presentation to the Guidelines Special Committee. For nuclear capabilities, the most complete current estimate is NIE 11-3A-54, "Summary: The Soviet Atomic Energy Program to Mid-1957," published February 16, 1954. [10]

4. The explanations and citations in support of the Table are as follows:

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[6] The source text is the fourth of six numbered annexes transmitted by Lay to the National Security Council in support of NSC 5422. Both Lay's memorandum and the source text indicate that Annex 4 was prepared by the Central Intelligence Agency.

[7] See footnote 5, p. 648.

[8] NIE-65 is scheduled for publication in volume VIII.

[9] For documentation on NIE-90, see *ibid.*

[10] Not printed.

a. *Soviet Nuclear Capabilities. In 1953* it was estimated that the Soviets were then capable of producing nuclear weapons with yields up to "approximately one million tons of TNT" and that the Soviets might work toward the "eventual modification" of their stockpile to include "very high yield weapons (e.g. 500–1,000 KT)." No mention was made of production of higher yield weapons, although it was estimated that the Soviets might be in an "advanced stage" of a program having the production of larger weapons as its objective. (Appendices to NIE–90, Appendix B, para. 3.) As to the Soviet stockpile, it was estimated, with a stated margin of error, that it was then 120 weapons of 30–100 KT yield, for which we have used a median average of 50 KT in arriving at the order of magnitude of 6 megatons total. The 1957 order of magnitude was derived by using the same average applied to the 500 weapons tentatively projected in NIE–65, which estimate contained the same figures for earlier periods, as the NIE–90 Appendices. (Appendices to NIE–90, Appendix B, para. 2; NIE–65, para. 50.) *For June 1954*, the current estimate is from Stockpile Example (b), para. 13 of NIE 11–3A–54, which gives a figure of 24.3 MT for mid-1954. The figures for mid-1959 are based on a median assumption as to Soviet expansion and on the same type of stockpile. (NIE 11–5–54, paras. 30–31.)

b. *Soviet Long-range Air Forces. In 1953*, current estimates are from Appendices to NIE–90, Appendix B, para. 32 (c), except that the statement of a prototype jet medium bomber being in existence is based on evidence available at that time and on the estimate (in footnote 10 to para. 32 (c)) that series production would begin in April 1954. *For June 1954*, all figures are literally from NIE–11–5–54 (paras. 32–33, and table on p. 14) except that the figure of "(possibly 300)" for jet heavies in mid-1959 is based on the contingency discussed in the last sentence of para. 33 and on discussion of expansion capabilities of the Soviets if that sentence were the case.

c. *Surface-to-Surface Guided Missiles. In 1953*, statements on the Soviet future were almost entirely in terms of theoretical capabilities, with no adequate data to estimate the priority and pace of the Soviet effort. The strongest statement made was that a ballistic missile with a range of less than 900 nautical miles "could be near the prototype stage of production by 1955." (Appendices to NIE–90, Appendix A, para. 32 b.; see also NIE–65, para. 41 g.) *For June 1954*, it is estimated, on the basis of more concrete information, that a V–2 type missile with a 450–500 mile range is "likely" by 1956. It is further estimated that in 1959 the Soviets could start series production of a pilotless-aircraft-type missile capable of reaching the U.S. from Bloc territory. (NIE 11–5–54, paras. 34–36.) No prediction has been made, in either the 1953 or 1954 estimates, of the date by which the Soviets may have intercontinental ballistic missiles. It should be noted that detailed examination of this whole subject is proceeding, from which it is hoped that firmer conclusions will emerge in the third quarter of 1954.

d. *Air Defense. In 1953*, it was estimated that a "limited number" of all-weather interceptors "may be" in operation by mid-1955. (NIE–90, para. 24; see also Appendices to NIE–90, Appendix B, para. 50 d.) *For June 1954*, the figures in the Table, 200 for mid-

1955, 2100 for mid-1959, are direct from NIE–11–5–54 (table on p. 14).

e. *Submarines.* The category selected for comparison is that of high-submerged-speed long-range types, which were singled out for specific attention in the *1954* estimate (NIE–11–5–54, para. 38 and table on p. 16; note that the 295 figure is reached by applying the building rate of 46 per year to the *mid* -1954 figure of 65 given in the table, rather than to the *early* 1954 figure of 47 given in the text.) In the *1953* estimates it is not easy to arrive at a comparable figure. The 20 and 100 figures shown in the table are based on ONI current estimates of the period, with a building rate of 20 per year extrapolated from paras. 37 and 40 of the Appendices to NIE–90, Appendix B.

Annex 6

Study Prepared by the Office of Defense Mobilization [11]

TOP SECRET [WASHINGTON, undated.]

BASIC ASSUMPTIONS ON ALTERNATIVES FOR MAINTAINING, BROADENING AND PROTECTING THE MOBILIZATION BASE AND FOR BUILDING UP RESERVES OF MILITARY END ITEMS OR MATERIALS

1. The mobilization base must be capable of fulfilling military requirements to meet these contingencies:

A. Involvement with forces using conventional weapons either for or short of all-out war.

B. The maintenance of superiority in the new weapons systems, particularly nuclear weapons.

C. A balanced and protected base to make good the necessary functioning of the war economy after attack and to supplement needs for new production beyond the war stocks existing at the outbreak of hostilities.

2. The combinations of the amounts of reserves required at the outbreak of hostilities in relation to the base, which can be counted upon to continue functioning, depend upon the following assumptions:

A. That the use of nuclear weapons is either:

(1) decisive—finishing off the war in a few hours, days, weeks, or

(2) crippling, but not decisive, so that the recuperative power of the economy and tenacity of spirit will determine the outcome.

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[11] The source text is the last of six numbered annexes transmitted by Lay to the National Security Council in support of NSC 5422.

B. Or that nuclear weapons, though perhaps decisive if used only by one side and certainly basic both for attack and as a deterrent, must necessarily be combined with "mixed power" of conventional weapons and forces in large quantities:

(1) with a number of divisions in being that can deal with peripheral aggression without resorting to nuclear weapons,

(2) with a number of divisions that can hold Soviet and satellite mass land armies where needed until reserves and weapons strength can be brought to bear to victory.

C. Or that, despite present basic character of nuclear weapons, conventional forces must be kept at a level which would permit fighting a successful war:

(1) with only the "tactical" use of nuclear weapons,

(2) with the elimination of nuclear weapons altogether, either by "outlawry" by:

(a) international action and treaties, or
(b) the fear by either side that to initiate nuclear war would invite retaliation amounting to destruction.

3. A further assumption is required as to the nature and extent of the damage which present Soviet capabilities are capable of inflicting on the mobilization base in the light of present defensive capabilities with an extension throughout the period. The magnitude of the damage capable of being inflicted would govern the degree to which expense and inconvenience could be incurred in:

A. Counter-measures to reduce the vulnerability of the mobilization base, and

B. The degree to which stocks should be ready at the outbreak of hostilities, rather than dependence upon initiating or resuming production lines.

4. It seems to be generally agreed that damage of more than a substantial character can now be counted on throughout the entire period under consideration. Present intelligence would seem to justify provisions in the mobilization base against massive damage in the way of ready reserve and extreme measures for adding to the protection and for reducing the vulnerability and increasing the capacity of the mobilization base to recuperate.

5. The mobilization planning of the Office of Defense Mobilization is based upon a combination of assumptions under Section 2-B above which are thought to be not inconsistent; namely, 2-A(2) and 2-B (1) and (2). Although no one has officially advanced 2-C, it has formed the basis for discussions by the Department of State, largely resting on 2-C(2), (with some discussions also on 2-C(1).) ODM, Defense, and, in general, the rest of the Planning Board, appear to have eliminated 2-C. The existing alignment in the Defense De-

partment can only be judged by the official comments in paper dated May 25 from the Acting Secretary of Defense, transmitting JCS study on military posture for guidelines consideration. [12] Assumption 2–A(2) is not emphasized by JCS to the point of crippling attack and assumption 2–B(2) is heavily stressed. Budget and Treasury tend to stress 2–A(2) and to feel that less reliance needs to be put upon 2–B(1) and B(2) than is suggested by JCS and by ODM. Arguments by the State Department tend to raise attack danger to the certainty of catastrophe, as a basis for discussing possible moves to take nuclear disarmament more seriously or to increase conventional forces and weapons so as not to put entire reliance on nuclear weapons. A balanced view of total power, of deterrents, and of defense capabilities is the necessary prerequisite of mobilization preparations.

6. If older weapons are stocked and production phased out, and total hard goods production for FY 1957 is planned at about half of the FY 1953 (end) rate, are we keeping a mobilization base which employs our national resources and scientific capacity at a rate adequate to counter the threat from the Soviet Bloc? Should we not use a stabilized figure at a high level (say $18 billion) to expand new weapon production to equal losses in the old weapon base, transferring added new production to safe areas?

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[12] Annex 2, above.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson) [1]

TOP SECRET WASHINGTON, 23 June 1954.

Subject: Negotiations with the Soviet Bloc

1. In their memorandum to you dated 3 May 1954, subject "Methods of Implementing and Enforcing the Disarmament Programme," [2] the Joint Chiefs of Staff stated that ". . . with respect to the matter of disarmament the Joint Chiefs of Staff consider it most unrealistic, based on the entire pattern of past Soviet conduct and the present international situation, to expect that any agreement which might be obtained vis-à-vis the USSR would be other

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[1] Copies to the Assistant Chief of Staff, G–3, Department of Defense; the Secretary to the Chief of Naval Operations; the Director of Plans, U.S. Air Force; and the Director of the Joint Chiefs of Staff. A notation on the source text reads: "(JCS—Approved as amended 23 June 1954)". A copy of this memorandum is also in S/S–NSC files, lot 63 D 351, NSC 5422.

[2] The memorandum under reference cannot be further identified.

than to the serious disadvantage of the security interests of the United States."

2. Because of implications with respect to the vital security interests of the United States, the Joint Chiefs of Staff consider it appropriate that they convey to you at this time their views concerning certain broader aspects of the situation now confronting the United States and its Allies, for consideration in connection with the future application of basic national policy.

3. It is the conviction of the Joint Chiefs of Staff that the struggle of the Free World against the spread of Soviet-Communist domination of peoples and areas has now entered a precarious if not critical stage, characterized by continuing Communist expansion and military growth on the one hand and the emergence of divisive strains in the Free World coalition on the other. In their opinion, a continuation of the present trend might well, within an indeterminate but relatively short span of years, place the security of the United States in such jeopardy as to render it doubtful that any military establishment which our country could continue to support could be relied upon to defend our territory and our institutions in the years ahead. They feel that the threatening course of the cold war, recently brought into clearer focus by events in the Far East and by the Berlin and Geneva conferences, makes necessary a reappraisal, within the framework of current basic national policy, of the tactics which have been pursued by the United States in seeking to achieve its objective.

4. In the opinion of the Joint Chiefs of Staff, Soviet tactics since World War II reflect certain basic tenets of Soviet doctrine and strategy; viz.:

a. In the struggle between Communism and the Free World there can be no true neutrals—the world is divided into two blocs, the Communist and their "enemies".

b. The "Iron Curtain" is an essential measure of self-preservation of the Soviet regime and must be maintained as an impervious barrier to "enemy" attempts to penetrate it.

c. Perversion of truth and the device of the "Big Lie" are basic elements of Soviet propaganda technique.

d. There can be no harmonious existence until Communism has achieved and consolidated victory on a world scale.

e. Once taken under control, territory will not be relinquished, except by compulsion of force or threat of force (Greece, Iran).

f. Communist influence must be all-pervasive—to this end power vacuums (e.g., Korea in 1950) are to be abhorred, "enemy" weaknesses exploited, and the Soviet domain expanded by unrelenting efforts.

g. Expansion of the Soviet domain is to be accomplished by:

(1) Subversion and local seizures of power by Communist parties (Czechoslovakia).

(2) Action by armed forces other than Soviet forces (Albania, China, Korea, Indochina).

(3) Armed action by Soviet forces (Baltic States, Poland, Hungary, Bulgaria, Roumania).

(4) Negotiations—(a) as an instrument to capitalize upon situations created by overt conflict (Potsdam, Panmunjom, Geneva), (b) as a substitute for armed struggle, to probe for divisive tendencies or other enemy weaknesses and to exploit them to Soviet advantage, or (c) as a device to prevent constructive action and to gain propaganda benefits.

h. Until the world struggle is finally decided, a state of tension is conducive to advancing Communist objectives; hence, achieving agreements merely for the purpose of relieving world tension would, from the Soviet standpoint, be self-defeating.

i. In negotiations, Soviet objectives are to be sought by:

(1) Inflexible adherence to demands, even fantastic ones, coupled with resistance from the outset to counter-proposals;

(2) Yielding to no substantive concessions; a concession by the "enemy" is to be treated merely as an indication that persistence in negotiation may extract further and perhaps greater advantages;

(3) Disregarding any accepted code of ethics or any conception of honor in the conduct of negotiations or in the carrying out of any agreements which might flow from them.

5. Weighed in the aggregate, results achieved since 1945 would tend to convince the Soviet regime of the efficacy of its methods in pursuing its policy of expansion. Taking advantage of every weakness and contradiction, Soviet Communism during that period has amassed under its control some 800 millions of people, millions of square miles of territory, and vast material resources. With regard to negotiations, the results would tend to confirm the Soviet belief that rigid adherence to their demands will in the end extract Allied concessions—the ultimate persuasive factor being the latent threat of massive Soviet armed forces, which overshadows all international discussions and negotiations.

6. With specific regard to negotiations in the field of disarmament, the record of the United States since 1946 is one of persistent effort to find ways of easing the burden of armaments under appropriate safeguards and of lessening the threat of war. The USSR, on the other hand, while engaging in propaganda for the elimination of atomic weapons, has made only specious proposals regarding limitation of conventional armaments, although it maintains the largest conventional military establishment in the world. In the UN Disarmament Commission, the USSR has consistently refused to clarify its vague and ambiguous proposals or to discuss any plan other than its own.

7. Moral prerequisites recognized as fundamental to any effective and comprehensive system for the balanced reduction of all armaments and the international control of atomic energy are (a) an open world, and (b) good faith on the part of the participating powers. The continued existence of the Iron Curtain would make a mockery of any inspection system which might be devised and, if the record of past Soviet conduct with respect to solemn international agreements is a true index, Soviet bad faith, evasion, and outright violation would render any disarmament agreement sterile, except as a means to advance Soviet objectives.

8. Soviet and Soviet-Satellite violations of international treaties and agreements are too numerous to recite here and too well known to require documentation. In unbroken sequence from Yalta to Korea such treaties and agreements, even though achieved originally at a cost of major concessions by the Western Powers, have been evaded and perverted by the Communists to suit their own designs. In the opinion of the Joint Chiefs of Staff the instability of peace throughout the world is due, in large measure, to deliberate Soviet violations of its international pledges and treaty commitments. The Joint Chiefs of Staff find no cause for hope that, barring a basic change in the attitude of the Soviet regime, any future international agreement would be faithfully observed by the USSR or its Satellites.

9. A number of measures by which the Soviets could offer evidence of their good faith have been suggested by the President and other allied statesmen, notably Mr. Churchill. These measures need not be restated in detail here, but if the Soviets were to take the following actions, or even some of them, such could be accepted as a demonstration of a basic change of attitude on the part of the regime, offering hope of a peaceful settlement of world issues:

a. Free the million or more German and Japanese prisoners they now hold;
b. Release the Satellite nations and allow them the free choice of their own form of government;
c. Show a willingness to conclude just peace treaties with Germany and Austria;
d. Cease fomenting and supporting civil war and armed aggression, as in Indochina, Malaya, and Korea;
e. Discontinue the campaign of subversion and hate against the non-Cominform world;
f. Withdraw their military forces to the borders of the USSR;
g. Remove the Iron Curtain and permit ordinary entry and travel on equal terms with other nations;
h. Faithfully observe and support the provisions of the United Nations Charter.

10. The Joint Chiefs of Staff consider that the Soviets will hold steadfastly to their objective of world domination and will not be disposed to make substantive concessions in the course of international negotiations, even on a *quid pro quo* basis, unless and until they have been convinced that failure to achieve lasting solutions of major issues will involve grave risks to the maintenance of their regime. The Joint Chiefs of Staff consider further that until the United States and its Allies, by means of positive actions, confront the USSR with the risks which might attend such a failure, the Soviet regime will remain unconvinced of the possible consequences.

11. The Joint Chiefs of Staff are strongly of the opinion that until a suitable climate for negotiations has been brought about, it will be not only fruitless but hazardous for the United States to continue its efforts to arrive at solutions to world problems through the normal processes of negotiation with the USSR. In the face of extravagant and persistent Soviet demands, our principal Allies, possibly impelled by a mounting fear of Soviet atomic capability, have shown an increasing disposition to seek agreements at whatever cost, apparently without adequate realization of the vital Western security interests at stake, or in disregard of those interests. Further, once joint negotiations have been undertaken, the United States is placed under strong compulsion to join in making substantive and unwarranted concessions to the Soviets in the interest of showing some degree of progress toward reaching agreement and of preserving a facade of Allied solidarity. Negotiation under such conditions—irresolution on the part of our Allies coupled with Soviet inflexibility—holds no promise of an outcome favorable to United States or over-all Allied security interests. It should not be concluded that the Joint Chiefs of Staff would advocate that the United States undertake to attain its objectives without benefit of allies. Rather, they feel that there is a pressing necessity that our Allies be brought to view the world situation in the same light and with the same urgency as does the United States.

12. Basic United States policy, as set forth in NSC 162/2, recognizes the time limitation within which conditions must be created by the United States and the Free World coalition such as to permit the Soviet-Communist threat to be met with resolution, to the end that satisfactory and enduring arrangements for co-existence can be negotiated. The engulfment of a large segment of the world and its people by the Soviets has been accomplished during the period in which the United States first held a monopoly and then a significant superiority in atomic weapons and in the means for their delivery. It may properly be assumed that, unless the Soviet attitude is altered by outside influences, the aggressive and

irresponsible tactics pursued with success by the Soviets thus far will be only a prelude to the proportions which such tactics will attain once the present atomic superiority of the United States has been neutralized—a condition which is expected to be reached within the latter part of the period FY 1956–59. (See Joint Chiefs of Staff memorandum dated 21 May 1954, subject, "Estimate of the Military Posture Throughout the Free World, FY 1956 Through FY 1959".)[3] The obvious conclusion, therefore, is that if the Western nations hope to reach timely and lasting settlements vis-à-vis the USSR, they must proceed now to formulate their just demands and then steadfastly to press for their consummation while the United States still holds atomic superiority. Basic for that purpose is the development of political solidarity and staunch unity of purpose among our Allies to the point where they will not only join in the determination of measures vital to the common security but will resolutely support those measures when the need arises. The alternative is to compromise United States and Western security interests by permitting the lowest common denominator of the coalition to determine the level and scope of our actions in pursuit of our objectives.

13. Based on their analysis, from the military point of view, of the situation now confronting the United States and its Allies, the Joint Chiefs of Staff have arrived at the following conclusions:

a. Until the USSR, by positive action, demonstrates a basic change of attitude by some such actions as those listed in paragraph 9 above, the United States should refrain from further attempts through negotiations to arrive at agreements with the USSR on the subjects of disarmament, atomic energy or any other of the world issues, and should so inform the USSR officially and repeatedly, publicly releasing each such announcement.

b. The United States should recognize now, and should seek to persuade its Allies, that time limitations dictate the necessity of confronting the Soviets with unmistakable evidence of an unyielding determination to halt further Communist expansion, and of convincing them that aggression will be met with counteraction which, inherently, will hold grave risks to the maintenance of their regime;

c. The United States should take all reasonable measures to increase political solidarity and staunch determination among its Allies recognizing, however, that U.S. security interests may require, on occasion, United States action which not all of our Allies would endorse or be willing to join.

14. The Joint Chiefs of Staff recommend that:

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[3] Annex 2 to NSC 5422, p. 672.

a. The foregoing views be made available to the National Security Council for consideration in the application of basic national policy;

b. These views be given consideration in the formulation of the Department of Defense position with respect to the interdepartmental review of United States disarmament policy now in progress.

For the Joint Chiefs of Staff:
ARTHUR RADFORD
Chairman
Joint Chiefs of Staff

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 204th Meeting of the National Security Council, Thursday, June 24, 1954 [1]

[Extract]

TOP SECRET EYES ONLY

Present at the 204th Meeting of the Council were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General; the Chairman, Atomic Energy Commission; the Federal Civil Defense Administrator; the Chairman, Council of Economic Advisers (for Item 3); the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Assistant to the President; Robert Cutler, Special Assistant to the President; Robert R. Bowie, Department of State; Knight McMahon, Central Intelligence Agency; the White House Staff Secretary; Bryce Harlow, Administrative Assistant to the President; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

Following is a summary of the discussion at the meeting and the main points taken.

. . . .

3. *Tentative Guidelines Under NSC 162/2 for FY 1956* (NSC 5422 and Annexes to NSC 5422; NSC 162/2; NIE 11-5-54 and NIE 13-54) [2]

At the outset of his briefing of the Council on the reference report (NSC 5422), Mr. Cutler stressed the tentative character of the guidelines submitted by the Planning Board, and noted that there were many disagreements. He also expressed the hope that the Council would direct the Planning Board to revise the guidelines report in the light of discussion at this Council meeting and of next week's meeting on continental defense. He then read the first seven pages of the report, which consisted of the intelligence estimate. He explained that the rest of the paper was concerned with suggested guidance on how to deal with the situation outlined in the intelligence estimate. The first major issue arose in paragraph 11 and involved the question of what measures the United States should take to protect its retaliatory capacity against foreseeable Soviet attack. The left-hand column of the split paragraph called on the United States to take "whatever measures were necessary to protect this capacity", and stated that the expenditures necessary for this purpose were a requisite to U.S. survival. The right-hand column called upon the United States "to take all practicable measures to protect this capacity."

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[1] Drafted by Deputy Executive Secretary Gleason on June 24.

[2] For text of NSC 5422 and its Annexes, see pp. 647 and 667. For text of NSC 162/2, see p. 577. Regarding NIE-11-5-54 and NIE 13-54, see footnote 5, p. 648.

After Mr. Cutler had explained the split views in paragraph 11, the President said that the point of view expressed in the left-hand column was based on the erroneous premise that you could have an absolute defense of our retaliatory capability, and completely overlooked the fact that modern warfare is a relative matter. He believed that the right-hand column, calling simply for all practicable measures, was the better and more accurate statement. For the moment, at least, it could be checked as the President's choice.

Admiral Radford inquired whether the left-hand column meant to indicate that other defense measures were to take a lower priority than measures designed to protect this retaliatory capacity. The President said that of course this was the intent of the language, but Mr. Cutler pointed out that as an alternative to assigning lower priority to the other elements in our military program, you could, of course, agree to larger expenditures on measures to protect the U.S. retaliatory capability.

Mr. Cutler then explained the difference in view with respect to disarmament which was indicated by the split in paragraph 13. The President said that this was one place in the paper where he could see no antithesis between the positions set forth in the parallel columns. He thought that paragraph 13-b (right-hand side of the page), which emphasized doubts as to whether any safe and enforceable system for limiting armaments could be achieved as long as the Soviet objectives and regime remained substantially as they are today, was not incompatible with the position in the left-hand column, which advocated that the United States continue to reexamine its position on disarmament and especially to determine whether safeguards could be devised entailing less risk for U.S. security than no limitation of armaments. No one who was in his right mind, said the President, would disagree that we should continue to examine this question.

Mr. Cutler pointed out that perhaps the real issue in paragraph 13 was to be found in the last four lines of the left-hand column, which raised the question "whether the U.S. should be willing to agree to effective nuclear disarmament in the absence of conventional disarmament." The President agreed that this put up a different question, but said that nuclear disarmament, as opposed to general disarmament, was open to the even greater question of enforceability. He repeated the statements he had made at the Council meeting the day before, to the effect that he would gladly accept nuclear disarmament alone if he was sure that he could get the genuine article.

Mr. Cutler said that the real question that had bothered the Planning Board was our willingness to relax on the safeguards to disarmament in the hopes of obtaining Soviet agreement. The President repeated his view that it would certainly be to the net advantage of the United States to agree to nuclear disarmament alone if such nuclear disarmament were sure and enforceable. It was nevertheless impossible to see how it could be secured in the foreseeable future. The President added that he would gladly go back to the kind of warfare which was waged in 1941 if in 1945 the A-bomb had proved impossible to make. The net of it all was that until you could be sure of achieving enforceability, the United States would have to maintain its present position of refusing to agree to atomic disarmament except as part of a general disarmament.

Going on, Mr. Cutler pointed out that one of the major issues on which the Planning Board sought light from the Council occurred in paragraph 14, which raised the question whether, in view of the possible nuclear balance in 1956-59, the United States could continue to place major reliance on its nuclear capabilities as a means of waging general war. The left-hand text advocated an increase in the forces and mobilization potential which the U.S. and its allies would need to wage war effectively without strategic use of nuclear weapons. The right-hand text insisted that the United States must accept the risks involved in relying on strategic nuclear capabilities as a means of waging general war, and must continue to make clear its determination to meet Soviet attack with *all* available weapons.

The President thought that the National Security Council had decided this question quite a long time ago—namely, in February 1953. Were we able to pick out a priority in the types of war we will wage and a priority as to the means and measures of waging this war? It was simply impossible to try to play safe in all the possible kinds of warfare. What we required was an intelligent estimate of where to allocate this priority.

Admiral Radford pointed out that if the Council chose the left-hand column, which called for a great increase in conventional forces, it would have completely changed the basis of all our current strategic planning for war. Secretary Humphrey agreed wholeheartedly with Admiral Radford, but said that perhaps it was wholesome to have this issue raised once again so that it could be resettled thoroughly in favor of the right-hand column, which advocated continuation of our current military posture and strategy. The President expressed agreement with these views, and said that if the Council came to believe what was set forth in the left-hand column we might just as well stop any further talk about preserving a sound U.S. economy and proceed to transform ourselves forthwith into a garrison state. Admiral Radford added the warning that these constant references to possible changes in our agreed military strategy caused serious dissension in the Department of Defense. Secretary Humphrey pointed out that while the National Security Council had long since decided this question, the decision had not been universally accepted in the responsible departments and agencies. It was high time that this decision was enforced.

Dr. Flemming said he was concerned with this paragraph as it related to mobilization requirements. If the question of our military strategy wasn't settled, at least for a considerable period, the Defense Department would be unable to provide ODM with a solid set of requirements called for by the agreed strategic plans. We must at least freeze our thinking long enough to make possible a realistic estimate of our mobilization requirements for war.

The President, pointing out that in destruction alone there was no victory, said that according to his idea of what we face, we should have the capability so far as possible of warding off destructive enemy attack and as quickly as possible ourselves to be able to destroy the war potential of the enemy. After these initial moves in a future war, the United States might have to contemplate a 12-year mobilization program to achieve final victory in the war.

Mr. Cutler explained that the reason why the Planning Board had raised this "hoary issue" was the view of some of its members that a state of mutual deterrence, resulting from atomic plenty on both sides, might enable the Soviet Union to avoid atomic war and nibble the free world to death piece by piece. The President replied that he disagreed wholly with this point of view, which he regarded as completely erroneous. The more atomic weapons each side obtains, the more anxious it will be to use these weapons. The President noted the analogous German problem with respect to the use of poison gases in the later stages of World War II. In view of the fact that the attacking allied forces had the Germans encircled, it was much easier for the allies to make effective use of such gases than for the Germans to do so. The Germans realized that the use of poison gas would therefore be a strategic error. From this fact some people would deduce that the Russians will not make use of nuclear weapons in a future war; but there was no true analogy here.

Secretary Wilson said that in his own study of the problems facing the United States he had lately come to some very serious conclusions. The first of these was that the time for the "agonizing reappraisal" [3] of U.S. basic security policy was at hand. With regard to our force levels, even if our Army had been twice as large as it was and our Navy and Air Force likewise much stronger, Secretary Wilson said we probably wouldn't have done a darn thing different than we had done in the last year and a half. We ought to investigate why this was so and if our policies had been wrong.

Another reason for this reappraisal, said Secretary Wilson, was the fact that the things that the United States had hoped for had not happened and, if he could safely say it in the confines of this room, our policies have not been successful, as witness EDC, Indochina, Trieste, etc., etc. We ought, therefore, to take a whole new look at our problems. We were certainly not going to solve these problems by simply making our military forces twice as big as at present. Our military posture at present was good. Secretary Wilson also expressed himself as convinced that if World War III actually occurred, the results would be to push the world deeper into Communism and to transform the United States into a dictatorship.

Mr. Cutler pointed out that the Council should now get back to the specific issue involved in paragraph 14, and said that he judged there was a preference for the exposition set forth in the right-hand column.

Governor Stassen said that if the Council were to choose this view, the text should be revised to indicate that primary reliance upon our strategic nuclear capabilities should be qualified by a statement that our conventional forces should simultaneously be maintained in an appropriate form. With some heat, the President said that this whole issue had been greatly misunderstood. We had never proposed to strip ourselves naked of all military capabilities except the nuclear. It was ridiculous to imagine anything of this sort, and he saw no need for any qualifications such as Governor Stassen had suggested. Governor Stassen replied that of course he understood the relationship between nuclear and conventional forces, but still thought it best that the report say something explicit on maintenance of conventional forces so that the matter would be thoroughly understood throughout the Government agencies concerned.

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[3] Reference is to a remark made by Secretary Dulles in a formal statement before the North Atlantic Council meeting at its Twelfth Session at Paris, Dec. 14, 1953; for text, see vol. v, Part 1, p. 461.

Mr. Cutler pointed out that the issues raised by paragraph 17 were very relevant to the maintenance of conventional forces and should be examined before a response was made to Governor Stassen's point. He then read the right-hand version of paragraph 17, which stated that "present and planned implementation of programs under paragraphs 9, 10 and 34 of NSC 162/2 are considered fully adequate to meet the risks of increasing Soviet nuclear capabilities, etc." The left-hand column, on the contrary, indicated that the increasing Soviet nuclear capabilities made it necessary for the United States to make greater efforts than were contemplated in NSC 162/2, and specified in subparagraphs a, b and c the specific areas of greater effort.

The President said he was inclined to have a little of the content of both these columns. For example, he agreed with the need to develop more rapidly U.S. reserve forces, though he assumed that this was provided for in paragraphs 9, 10 and 34 of NSC 162/2. Mr. Cutler said that while this might be the case for reserve forces, subparagraph c called for creation of a strategic reserve which does not now exist. The President said that in fact he was not much moved by subparagraph c, but that he was interested in measures to develop reserve forces in the United States capable of bridging the gap between M-Day and the creation of new units from the raw manpower pool. He still believed that the differences between the points of view on paragraph 17 were not as great as might appear.

With respect to paragraph 17-a, which called for the development of war reserves of matériel and the development and maintenance of a broader mobilization base, Dr. Flemming said he doubted if we were now in a position to make a decision, since we have not drawn up a mobilization requirements statement in terms of our current military strategy. Dr. Flemming warned, however, that if we proposed a mobilization base adequate to support our allies who do not have an adequate mobilization base, we would be adding a commitment not in NSC 162/2 and one which involved a very considerable increase in costs.

Commenting on the differences in the two versions of paragraph 17, Mr. Cutler pointed out that the left-hand column in general called for greater U.S. efforts, larger U.S. forces, and keener U.S. alertness. It represented the views of individuals who were very greatly worried by the increasing Russian military capabilities. The views in the right-hand column were those of the individuals who believed that however serious the situation we could not do everything and must be content with making wise allocation of available resources.

Secretary Humphrey said that as it seemed to him, unless and until the agonizing reappraisal had been completed, and as long as the present basic security policy continues to be valid, the original JCS strategy to carry out this policy should be accepted and maintained.

The President expressed some impatience with the phrase "agonizing reappraisal", and said he thought that the Secretary of State shared his impatience with the phrase. In any event, as originally used this applied to U.S. policies with respect to Europe.

Secretary Wilson said that this was no longer enough, and he wanted the scope of the agonizing reappraisal expanded. He repeated his conviction that no solution could be obtained by simply going in for a larger military program. The President said that he agreed to this view, but only "within reason". He said, for example, that he was convinced that we need a more adequate reserve program in the United States.

Governor Stassen said that as he saw it, our estimate of Soviet capabilities had greatly increased. We ought, therefore, to increase our own military capabilities if this could be done in accordance with the economic principles of the Administration. Certainly the new Soviet capabilities called for some step-up of our own. Secretaries Humphrey and Wilson expressed emphatic disagreement with Governor Stassen's position. Secretary Humphrey reminded the Council that it had earlier decided on an adequate military program, and that what we must do now was to get down and implement this program rather than discard it and adopt some new one. The President, addressing Secretary Humphrey, insisted that there was nevertheless much in Governor Stassen's argument. Obviously our earlier estimates of Soviet capabilities were faulty. Accordingly, we will need to step up our own military capabilities in certain specific areas, though of course not all across the board. But you certainly could not ignore the new estimate of Soviet capabilities at the beginning of the paper.

Secretary Wilson reiterated his conviction that arms and arms alone would not solve the problem posed by the Soviet threat. We must show accomplishment in other than the military areas, or else we shall lose all our allies. As it was, our prestige was declining everywhere. Many things that we had hoped to accomplish had not been accomplished. We should try to figure out why this was so. He was making a plea, said Secretary Wilson, that whatever measures we decide to take about our military program, let's also try to see that we do better in the other areas of endeavor.

Admiral Radford said that he had a point to make with respect to paragraph 17–a. Under present military programs, and also contemplating the use of atomic weapons, there inevitably arose understandable differences of opinion as to war reserves and the mobilization base. Some people believe we need to maintain our existing conventional forces in Europe. Others insist that we can afford to place greater reliance there on nuclear power. It was hard to resolve these conflicting views when the question of stockpiling arose, but he did wish to point out, said Admiral Radford, that this is not all "black and white".

Mr. Allen Dulles said that he believed that the statement in the righthand column of paragraph 17 was a dangerous statement from an intelligence point of view. We were really not in a position to make a statement that our present programs were fully adequate to meet the risks of increasing Soviet nuclear capabilities, over a period extending through FY 1959. The President expressed agreement with Mr. Dulles' view.

After a brief exposition of paragraphs 19 and 20, where he explained the differences in view were largely a matter of degree of emphasis and approach, Mr. Cutler went on to paragraphs 23, 24 and 25 which, he pointed out, embraced the wide area of problems raised for the United States by its allies and on which the Council would be particularly anxious to have the views of the Secretary of State. The significant split in the views of the Planning Board was set forth in the double columns on page 19. The column on the left emphasized the importance of preserving our alliances. The column on the right emphasized the importance of preserving U.S. freedom of action.

The President said that he could not understand of what possible value to the Planning Board would be any decision by the Council between these views made in the abstract. When a specific case came up the Council would meet and decide it on its merits, but the question of which emphasis to take would have to be decided with respect to concrete cases at the time. Mr. Cutler attempted to explain the value of Council guidance on this point, but did not succeed in convincing the President that such guidance on this issue would be useful. Mr. Cutler then called on the Secretary of State for his comments, noting that he had been silent throughout most of the discussion.

Secretary Dulles said that before addressing himself to the paragraphs in question, he had a few remarks to make on the guidelines report as a whole. He believed it to be a valuable and important paper which had forced the issues up for the Council's attention, although, of course, none of them could be settled in an hour's time. He hoped, continued Secretary Dulles, to take a week off later on in the summer, after Congress had adjourned, and devote it entirely to these problems. Meanwhile, he expressed agreement with Secretary Wilson's position on a reappraisal of U.S. foreign policy. This, of course, ought to be continuously reappraised, but it was particularly important to do so at the present time. Certain of the pre-suppositions which the Administration had inherited seemed not to have been valid. This was particularly true of the pre-supposition of dependence of our allies on the United States. This had turned out to be not as great as had been thought at the end of the war. In some respects this greater independence was a good thing since, after all, one of our objectives had been to assist our allies to stand on their own feet.

Over and above these matters, Secretary Dulles said, we were confronting two basic problems. The first of these arose from the fact that the United States does not have an adequate defense against Communist expansion by means other than war. The Council should bear in mind that in almost every instance the Soviets have historically avoided open war in seeking to obtain their objectives. The exceptions were the winter war against Finland and the assault on Poland in 1939. In general, the Soviets prefer to use the methods of civil war and subversion, and it was through these that they had extended their domination over six hundred million people. They were engaged in this very process in Guatemala, France, and elsewhere. While we have no adequate answer as yet to these methods, we can at least be sure that we will never get an adequate answer in purely military terms.

The second major problem derived from the growing danger of atomic war. In light of this, our "tough policy" was becoming increasingly unpopular throughout the free world; whereas the British "soft policy" was gaining prestige and acceptance both in Europe and Asia. The Joint Chiefs of Staff contribution to the guidelines study expressed their belief that the United States should take full advantage of its present atomic superiority to exert pressure on the Soviet Union. If we do so, however, very few of our allies will follow us. They will follow those who say "let's not be tough and let's not press our issues with Russia." The Geneva Conference, said Secretary Dulles, provided sufficient evidence of this point. The tide is clearly running against us in the channel of this tough policy. If we are to continue to pursue it we shall lose many of our allies, and this in itself compels a reappraisal of our basic policy. Secretary Dulles added that of course he did not mind standing alone if this were the right thing to do, but let us at least understand what is at stake. In brief, we can't have our cake and eat it too.

These two factors—creeping Communist penetration and wide distrust of U.S. strategy among our allies—are whittling down the influence of the United States. We must recognize the fact that we can no longer run the free world, and accordingly review our existing basic security policy. Secretary Dulles again stated his agreement with Secretary Wilson, and stated that he was not at all happy about the way things had gone for us, but said that the reasons for this were those he had just explained.

Secretary Wilson denied that he was advocating a "tough policy", and said that he believed that the statement of military policy contributed by the Joint Chiefs of Staff to the guidelines project [4] was a sound and valid statement. He reiterated his position by stating that he was completely satisfied, one, that an increase of ten or twenty percent in our military programs offered no solution to our problems; second, that in point of fact we were not getting along very well, and third, that the time had come for a complete new look at our basic policy.

The President expressed some bewilderment over the term "tough policy". What does this label mean? For example, the United States had believed in taking more positive action in Indochina than our allies believed desirable. We had lost the argument. Was this a tough policy? At any rate, Sir Winston Churchill seems to have come around to the realization that it was a sounder policy than the British.

Secretary Dulles smilingly pointed out that this might be so, but it didn't sound likely from the tone of Mr. Eden's speech in the House of Commons just before leaving for the United States. Secretary Dulles explained briefly the content of the Foreign Secretary's address, and said that he was not at all impressed with the idea of an Asian Locarno. Among other disadvantages, such an Asian Locarno would involve United States recognition of Communist China.

The President replied that he was still not convinced that our policy should be described as a tough policy. Secretary Dulles pointed out, to illustrate this phrase, that a Joint Chiefs paper, dated June 23, 1954, [5] concluded that the United States should press the Russians hard during the few years in which it would retain atomic superiority. Another illustration was the views of the Joint Chiefs, set forth in our recent policy paper on Italy, [6] that the free world could not afford the loss of any further territories to Communism and should do whatever was necessary to prevent such further losses. There was much to be said for both these JCS views, but nevertheless, none of our allies would go along with these views except Rhee, Chiang, and possibly the Greeks and the Turks. The President added that perhaps Franco would join us.

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[4] Reference is presumably to Annex 2 to NSC 5422, p. 672.

[5] *Supra.*

[6] For documentation on Italy, see volume VI.

The President went on to state that if this were indeed the situation, we should perhaps come back to the very grave question: Should the United States now get ready to fight the Soviet Union? The President pointed out that he had brought up this question more than once at prior Council meetings, and that he had never done so facetiously.

Governor Stassen expressed the opinion that perhaps the reason why the situation we face is so serious is that the United States had failed to carry through on its policies. The President asked Governor Stassen to name an instance, and Governor Stassen replied, "In Indochina, for example." The President argued that our policy in Indochina was to attempt to induce the interested nations to join with us in order to prevent the loss of Indochina. That had been our policy, but the other nations had been unwilling to join us. Governor Stassen agreed that such had been our policy in Indochina, but it was also our policy to save Indochina from Communism. Mr. Eden had believed that this objective could be secured by a softer course of action, and he had failed at Geneva. Our own more forceful policy had been frustrated. Thus neither policy had worked, and the results were to the general disadvantage of the whole free world. All may not be lost, however, if the British finally come to realize the failure of their own policy.

Secretary Dulles said that far from thinking their policy a failure, the British believed it a glowing success. Governor Stassen said that it was by no means certain that we might not yet have to face up to the issue in Indochina, particularly if Mendes-France failed to get the results he had promised by July 20. [7] Certainly this was not the time for mutual recriminations, and Governor Stassen said he did not believe that we should soften our policy toward the Soviets. It was better to let our allies put their methods to the test. If these methods fail, our allies may yet be won over to our point of view.

The Vice President said that as it seemed to him, the United States watched, hesitated, and didn't know what policy to choose; whereas our enemy knew his policy and proceeded to carry it out.

Secretary Wilson interposed to call once again for a reappraisal of our basic national security policy and position. He said he was as confused as the President as to whether our policies were tough or soft. In any case, we ought to have a firm policy which clearly recognized the realities in the world situation. We must find out why Communism was being so widely accepted. What was the real motivation of the nations which accepted Communism? Moreover, was it not possible, if we were given time and if we stopped calling the Russians "dirty bastards", to get through this difficult stage in our history?

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[7] For documentation on Indochina, see volume XIII.

The President said it didn't seem to him that you had to look very hard to find the motivation which led many areas of the world to accept Communism. In many underdeveloped areas the motivation was all too plain.

Secretary Humphrey suggested that over the next few weeks the members of the National Security Council should devote a great deal of their time to this basic reappraisal. We should take out the word "agonizing" and substitute for it the word "realistic". This reappraisal should examine what the United States would like to be able to maintain as a world position and what it can afford to maintain. Take Japan, for instance. What is it going to cost the United States to see that Japan remains aligned with the free world? There were going to be many costs beyond the military costs. Germany is another example. We have found that we can't afford to support those idealistic objectives and positions which we had set when the Administration had first come into power. Accordingly, over the next sixty days let us think about what positions we could support. In the meantime, NSC 162/2 is it. Our basic policy stands and everybody must be made to hew to the line unless and until this basic policy were subsequently changed.

Dr. Flemming expressed the hope that the ultimate result would consist of a revision of NSC 162/2 rather than two documents purporting to state our basic security policy—namely, NSC 162/2 and guidelines. Two documents would engender confusion.

The President, reverting again to the problem of tough policies and soft policies, said that he was a pragmatic sort of guy and these labels had meaning to him only when applied to concrete cases. On East-West trade, for example, the President said he subscribed wholly to the British point of view. The trouble in this field resulted chiefly from domestic political pressures.

The meeting closed with expressions of irritation and regret that Sir Winston Churchill and Mr. Eden should have prepared their visit to Washington by proclaiming in Mr. Eden's speech before the House of Commons the general British position. [8] If their minds were made up, said the President, why do they bother to come over and talk to us about what to do?

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[8] For documentation on the visit of Prime Minister Churchill and Foreign Secretary Eden to Washington, June 24–29, see volume VI.

Governor Stassen offered the philosophical observation that we must expect to go through a period in the course of which the British will try to reassert their failing world leadership.

The National Security Council: [9]

a. Discussed the subject on the basis of the tentative study by the NSC Planning Board contained in NSC 5422 and the agency studies contained in the Annexes to NSC 5422.

b. Agreed to discuss the subject further at the next Council meeting on July 1.

S. EVERETT GLEASON

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[9] Paragraphs a–b constitute NSC Action No. 1165. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

Editorial Note

At its 205th meeting on July 1 the National Security Council considered six progress reports on continental defense, none printed, presented by Robert C. Sprague who had been appointed by President Eisenhower on June 18 as Consultant to the Council on the progress reports. In introducing Sprague, Cutler noted that on May 13, "the Council agreed that Progress Reports on Continental Defense should be rendered semi-annually with the first as of June 15, 1954." Sprague then introduced the six reports based upon the basic continental defense report, NSC 5408 of February 11 (page 609). Following lengthy and detailed discussion of these reports, and of other matters, the Council turned briefly to a discussion of "Tentative Guidelines Under NSC 162/2 for Fiscal Year 1956", and after further inconclusive discussion directed the Planning Board "to prepare, for early Council consideration, a statement of policy on the subject in the light of: (1) Council discussion of NSC 5422 and further review thereof by the respective departments and agencies; and (2) The reports on continental defense referred to in Item 1 above." (Memorandum of discussion at the 205th meeting of the NSC, Eisenhower Library, Eisenhower papers, Whitman file) For text of NSC 162/2, October 30, 1953, see page 577. The discussion of continental defense was formally recorded as NSC Action No. 1166; discussion of tentative guidelines under NSC 162/2 for fiscal year 1956 was formally recorded as NSC Action No. 1169 (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action").

S/S-NSC files, lot 63 D 351, NSC 5422

Memorandum by the Director of the Policy Planning Staff (Bowie) to the Secretary of State

TOP SECRET WASHINGTON, August 4, 1954.

Subject: NSC 5422/1—Guidelines under NSC 162/2 for Fiscal Year 1956 [1]

This paper represents the efforts of the Planning Board to reflect the discussions of the NSC on a previous draft. Attached are a number of specific comments from the Bureaus [2] which I suggest can be discussed when we go through the paper at your briefing this afternoon. [3]

The primary purpose of the paper is to set forth budgetary guidance. For this purpose, it seems to me to place proper emphasis upon:

(a) the maintenance and protection of our retaliatory striking force (see paragraphs 6 and 7);

(b) appropriate strength (U.S. and indigenous) to defeat local aggression (see paragraph 12);

(c) greater efforts in the Far East and underdeveloped countries (paragraphs 18 and 21); and

(d) a more coherent economic approach to world problems (paragraphs 22–25).

I have some doubts about certain premises stated in the paper. As Soviet nuclear power grows, they may not necessarily feel free to take increasingly positive action (see paragraph 4). Also, while the U.S. should certainly seek to convince the Soviets that we are prepared to counter aggression by strategic atomic attack, I am not sure that when nuclear balance is reached, the U.S. will indefinitely be able to base its strategy for fighting a general war on initiating the strategic use of nuclear weapons (see paragraphs 3 and 9).

Although this paper seems to cover a number of subjects not related directly to budget guidance, it does not purport to set the over-all political framework of our national strategy. With this understanding, it seems to me that the parts directed primarily to the subject of relations with our allies (see paragraphs 15, 16, and 20) contain acceptable general principles.

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[1] On July 26, NSC Executive Secretary James S. Lay, Jr., transmitted to the Council a revised statement of policy concerning guidelines under NSC 162/2 for fiscal year 1956. This 19-page statement, together with two appendixes containing financial and budgetary supporting material comprising an additional 10 pages, was designated NSC 5422/1. NSC 5422/1 also contained copious marginalia indicating continued widespread disagreements both between agencies and within bureaus on a number of points. A copy of NSC 5422/1 is in S/P-NSC files, lot 62 D 1, NSC 5422 as well as in S/S-NSC files, lot 63 D 351, NSC 5422 Series.

[2] A copy of this memorandum is also in PPS files, lot 65 D 101, NSC 5422 and it contains a four-page attachment of bureau comments. These comments are identical with those found in the margins of NSC 5422/1 in S/S-NSC files, lot 63 D 351.

[3] The briefing under reference occurred at 4:10 p.m. and was attended by Bowie, Murphy, Nolting, Howe, and others in addition to the Secretary. (Princeton University, Dulles papers, "Dulles Appointment Book")

ROBERT R. BOWIE

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 209th Meeting of the National Security Council, Thursday, August 5, 1954 [1]

[Extract]

TOP SECRET EYES ONLY

Present at the 209th meeting of the Council were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General (for Items 1, 2 and 3); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Items 1 and 2); the Federal Civil Defense Administrator (for Items 1 and 2); the Chairman, Council of Economic Advisers (for Items 1 and 2); the Acting Director, U.S. Information Agency (for Item 5); the Acting Secretary of the Army, the Acting Secretary of the Navy, and the Secretary of the Air Force (for Items 1 and 2); General Twining for the Chairman, Joint Chiefs of Staff (for Items 1 and 2); the Chief of Staff, U.S. Army, the Chief of Naval Operations, and the Commandant, U.S. Marine Corps (for Items 1 and 2); Elbert P. Tuttle, Department of the Treasury; Robert R. Bowie, Department of State; the Director of Central Intelligence; the Assistant to the President; Robert Cutler, Special Assistant to the President; the Deputy Assistant to the President; the Executive Secretary, NSC; and the Coordinator, NSC Planning Board Assistants.

There follows a summary of the discussion at the meeting and the main points taken.

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[1] Drafted by the Coordinator of the National Security Council Planning Board Assistants, Marion W. Boggs, on Aug. 6.

2. *Guidelines Under NSC 162/2 for FY 1956* (NSC 5422/1; Annexes to NSC 5422; NSC 152[*162*]/2; NIE 11-5-54; NIE 13-54)[2]

Mr. Cutler presented NSC 5422/1 to the Council. He recalled that on June 24 and July 1 the Council had considered "Tentative Guidelines" (NSC 5422) and had directed the Planning Board to prepare a revised statement of guidelines on the basis of the Council's discussions, further reviews by the departments and agencies concerned, and the progress reports on continental defense which were taken up at the Council meeting on July 1. NSC 5422/1 is the Planning Board's compliance with the Council's directive. Mr. Cutler noted that although the number of differing views has been greatly reduced in NSC 5422/1, there still persist a number of splits. When the Council has resolved these splits, and if it adopts the statement of policy, the Planning Board recommends that the paper be submitted to the President with the recommendation that he approve it as "Guidelines under NSC 162/2" for the development of national security programs by the appropriate departments and agencies for FY 1956, including the preparation of budget requests therefor.

Mr. Cutler then called the attention of the Council to the Appendices A and B of NSC 5422/1. He summarized the high points of Appendix A, "Estimate of the World Situation and Outlook Through Mid-1959", as follows:

1. Soviet nuclear capability, both in weapons and delivery systems, has substantially increased.
2. Conflicts of interests and divisive forces have threatened unity of action by free world allies.
3. There is greater likelihood that Communist powers will seek to expand control by "creeping expansion" and subversion, rather than by overt attack.

With respect to Appendix B, Mr. Cutler noted that the budget receipts in the table on page 26 would be somewhat higher under certain assumptions made by the Council of Economic Advisers. Under these assumptions the figure of $58.5 billion for FY 1956 would become $60.8 billion, and the $60 billion for FY 1957 would become $62.2 billion. On a cash budget basis, which would include Social Security receipts of $3 billion annually, the indicated gap in the table, of $2.2 billion for FY 1956, would become $+.8 billion and the indicated balance for FY 1957 of $+.7 billion would become $+3.7 billion. Mr. Cutler noted also that the tabulation on page 26 was prepared on the basis of the President's program submitted to Congress rather than on the tax bill as enacted.

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[2] For information on NSC 5422/1, see footnote 1, *supra*. For text of NSC 5422, June 14, see p. 647. For text of NSC 162/2, Oct. 30, 1953, see p. 577. For information on NIE-11-5-54 and NIE 13-54, see footnote 5, p. 648.

Turning to the guidelines statement of policy, Mr. Cutler read the following as the six most basic guidelines in the paper:

1. We should maintain and protect our massive nuclear retaliatory capacity as a deterrent to, and for use in general war.
2. We should accelerate "continental defense" programs (including air-to-air rockets) to offset increased Soviet nuclear capabilities.
3. We should expect to cope with local aggressions ("brush fires") with indigenous forces, provided with U.S. military assistance, economic defense support, and logistic support, and aided by mobile U.S. forces.
4. Communist "creeping expansion" and subversion is more likely than Communist armed attack. We should counter it with cooperative programs for economic growth, especially in Asia and parts of Latin America. We should also counter it by providing political support, covert operations, and military assistance for internal stability. We should be prepared, with maximum support of other nations, to give military support to friendly governments and forces against local Communists.
5. We should seek to strengthen the cohesion and determination of the free world to oppose Communist expansion by any means; but we should be ready to act unilaterally, if it is to our net advantage. We should continue to help build the strength and cohesion of Western Europe as the major power source. But we should also increase efforts in Asia to block Communist "creeping expansion", being less influenced in the Pacific area by our European allies.
6. We should continue to operate under the basic policies in NSC 162/2, relating to defense against Soviet power and action and to the threat to U.S. economy and institutions; but we should be ready to increase certain military and mobilization programs as required to support our policies and to meet anticipated increases in Soviet capabilities.

The Council then considered the statement of policy in NSC 5422/1 paragraph by paragraph. With reference to paragraph 4, [3] the President said he thought the speculation as to whether the Soviets will or will not become bolder was largely an academic exercise. In this paper we were only trying to establish the broadest lines of policy, and many future situations will have to be dealt with when they arise.

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[3] Paragraph 4 of NSC 5422/1 reads:

"This situation could create a condition of mutual deterrence, in which each side would be strongly inhibited from deliberately initiating general war or taking actions which it regarded as materially increasing the risk of general war. However, the free world powers are becoming increasingly cautious about joining in actions which they believe will enhance the risk of war, while the Soviet rulers will most probably believe that they can take increasingly positive actions without running substantial risk of war. On the other hand, they will continue to have great respect for U.S. nuclear power, to be uncertain of what actions may provoke its use, [and to refrain from actions which promise only local gains while carrying the risk of leading to the use of this power against the USSR.]"

The bracketed portion is annotated as follows: "Defense, ODM and JCS dissent."

Mr. Cutler said the issue was whether, in our forward planning, we should assume the Russians would be bolder or less bold as a result of their growing atomic capabilities.

Secretary Dulles felt that the latter part of the paragraph contained a series of balanced guesses. He wondered whether such speculation was necessary.

Mr. Allen Dulles felt that the Council need not engage in such speculation, even though the Central Intelligence Agency was compelled to do so.

Secretary Wilson suggested that the last sentence of paragraph 4 be omitted.

Secretary Dulles said it might be important to speculate as to what would happen in specific situations—for example, what would happen if the Chinese Communists intervened in Indochina—but it was difficult to speculate on whether or not the Soviet bloc would become bolder in the total world picture.

The President said that paragraph 4, after the phrase "risk of war" in the seventh line, might well be deleted and a sentence added to the paragraph to the effect that Soviet reaction to this condition cannot accurately be foreseen, but the free world must remain on the *qui-vive*.

Mr. Cutler called attention to the different views with respect to paragraph 7,[4] and to the possibility that the phrase "including the air-to-air rocket program" might be added after the word "programs" in the second line as a result of the Sprague recommendations.[5] The President inquired whether the air-to-air rocket program had been mentioned in NSC 5408.[6] He thought perhaps details of this nature should be mentioned in NSC 5408 rather than in this broad paper. Mr. Cutler replied that the air-to-air rocket program was not mentioned in NSC 5408 because it was brought to the attention of the Council in the Sprague recommendations after the adoption of NSC 5408. The President said we could still take the Sprague recommendations very seriously, even though we did not mention them in the broad guidelines paper. He felt that if we mentioned details such as the air-to-air rocket we might also have to mention such things as atomic artillery, Nike, etc. He added that if the air-to-air rocket program was of sufficient importance, a recommendation that it be given priority could be submitted to him in a separate memorandum.

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[4] Paragraph 7 of NSC 5422/1 reads:

"The U.S. should accelerate its military and non-military programs for continental defense set forth in NSC 5408 to the fullest extent deemed feasible and operationally desirable [with a view to bringing them to a high state of readiness by July 1957,] [with all possible elements of the early warning system in place by July 1956]".

The bracketed portions are annotated as follows: "State, Defense, Budget and JCS dissent", after the first set of brackets; and "Treasury, Defense, Budget and JCS dissent", after the second set.

[5] Regarding the Sprague recommendations, see the editorial note, p. 698.

[6] For text, see p. 609.

Secretary Dulles recalled that the Council, in considering NSC 5408, has agreed that both military and non-military programs for continental defense should be carried forward as rapidly as possible, but he did not feel that it was necessary to have specific dates for their completion in the guidelines paper. Secretary Wilson agreed that sometimes dates, if mentioned in a paper, tend to become more important than the substance of the paper. He was opposed to emphasizing dates. Secretary Humphrey inquired whether the dates in paragraph 7 meant that we would go ahead and attempt to meet those deadlines even if it were not feasible or operationally desirable. Mr. Cutler said this was not the case.

Governor Stassen felt that we should accelerate continental defense programs, including early warning, and that in particular we should adopt a crash approach to the air-to-air rocket program, which was of such importance as to warrant an NSC decision. The President said it was quite proper for the Council to record its great concern. The Council could say that the air-to-air rocket program was so important as to be almost vital, and could decide that it should have top priority. However, he agreed with Secretary Wilson that the mention of specific dates in a policy paper tended to concentrate too much effort on merely meeting the deadline instead of on the best solution. He had no objection to an NSC recommendation as to the high priority of this program, but he did object to deadlines. Mr. Cutler said the Planning Board has inserted dates in this paragraph because of intelligence estimates which seemed to indicate that the time of greatest danger of a Soviet nuclear attack on the United States would be mid-1957. The President said he had no objection to including an estimate of the time of greatest danger.

Secretary Talbott said that forcing completion of a program by a specific date might actually delay the best solution to a problem and compel the use of inadequate materials. Governor Stassen suggested that the paragraph might be revised along the line of giving continental defense programs very high priority, having in mind what the Soviet capabilities would be by 1957. Secretary Wilson said the problem was not one of industrial bottlenecks, but of lack of scientific and technical knowledge and of trained people. The President said that he understood that the Planning Board had put dates in this paragraph in order to emphasize the importance of the continental defense programs. He felt, however, that their importance could be emphasized without using dates.

Mr. Cutler said that it was estimated that the Soviets would reach a high capability for nuclear attack by July 1957. However, he noted that use of the term "high priority", or "highest priority", is often upsetting at the lower levels of the Pentagon. Governor Stassen said that priorities might be upsetting, but that they often got results. He felt we would never be ready to defend against an attack unless we estimated the date of the attack and made our preparations accordingly.

Governor Peterson called attention to difficulties being experienced in the ground observer program. He said it was difficult to get civilian volunteers at a time when the military departments had not been able to complete their continental defense programs—for example, picket ships. He was willing to leave the dates out of this paragraph, but he understood that some people felt that not everything is being done that could be done to accelerate the continental defense programs. Secretary Wilson said he would be agreeable to stating in this paragraph that the continental defense programs should have a very high priority.

The President wondered whether or not quarterly outline progress reports on certain important continental defense programs should not be submitted to the Council. The NSC should have regular reports on anything of great importance, such as the air-to-air rocket program. Dr. Flemming endorsed the idea of quarterly progress reports. Secretary Wilson hoped that such reports would be no more than two or three pages long. The President said the kind of reports he was talking about might cover no more than two or three lines per project.

Governor Stassen hoped that it would be understood that the clause in paragraph 7, "continental defense programs set forth in NSC 5408", would include the air-to-air rocket program. He feared that the Soviets would attain a high capability to attack the United States by 1957 but that our continental defense programs would not be ready before 1959. He then called attention to the need for expanding the electronics industry in connection with continental defense. Secretary Talbott said that every effort was being made to take care of electronics needs. The President said he would like a memorandum prepared for his information on the status of the electronics industry in relation to national security policies.

Secretary Dulles asked whether there was any deliberate holding back on the early warning program in order to synchronize it with the programs for destroying enemy bombers. Secretary Wilson replied that the two programs were going forward independently. Early warning, he added, would be valuable as a means of enabling dispersal of the civilian population, even if programs for destruction of enemy bombers were not ready. Secretary Dulles emphasized that early warning was also a deterrent factor in so far as it helped us protect our retaliatory capability.

The discussion then turned to paragraph 9,[7] which indicated that in the event of general war the United States would use all available weapons and would make clear its determination to do so. The President inquired to whom we were going to make this clear. Some limitation appeared to be necessary in the paragraph, since we obviously did not want to make this clear to everybody.

Secretary Dulles felt that the paragraph should be revised to say that our planning should be based on the assumption that if general war occurs we will use all available weapons. He did not think it desirable to have the paragraph contain a mandate to boast of our nuclear capabilities.

Secretary Wilson referred to a memorandum he had received from the Army, stating that general war might be fought under varying conditions, including (1) a situation in which nuclear weapons have been used but have failed to produce a decision, and (2) a situation in which nuclear weapons have not been used by either side and are still available to each side. Mr. Cutler said that the question of mutual deterrents after both sides had reached atomic plenty might require further study. However, he thought it was understood that the United States could not have both large standing armies and great nuclear capability.

Secretary Wilson at this point noted the Joint Chiefs of Staff view that the guidelines paper needed a complete overhaul. Mr. Cutler then read the memorandum, "Department of Defense Position on NSC 5422/1", distributed at the meeting (copy filed in the minutes).[8] Mr. Cutler questioned the phrase in the second sentence of this memorandum, "the Department of Defense would continue the strength and composition of forces substantially as at present". After rereading this sentence Secretary Wilson agreed that it should have been phrased "strength and composition of forces substantially as presently planned".

Governor Stassen said that if, in our opinion, the United States must use all available weapons in order to survive in the event of general war, we should proceed at once to prepare U.S. and allied public opinion for the use of such weapons. The President doubted the wisdom of preparing world opinion for some of the things we may have to do in case of war. He thought it would be better to continue to emphasize constructive peace. To attempt to educate public opinion now on the weapons that might have to be used in war might produce very great strain on our alliances. He felt it was possible to talk to the U.K. leaders in a realistic way on this subject, but educating British public opinion would be a very different matter.

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[7] Paragraph 9 of NSC 5422/1 reads:

"If general war should occur, the United States should wage it with all available weapons and should continue to make clear its determination to do so."

[8] Memorandum not found; for information on the minutes of NSC meetings, see footnote 1, p. 394.

Secretary Wilson then referred to a request he had received from General Collins that the statement on the U.S. position regarding nuclear weapons, read by the Secretary of State at the NATO meeting in Paris on April 23, 1954, [9] be made available to members of the Standing Group of NATO. Secretary Wilson added that the Joint Chiefs of Staff had approved of this statement and thought it could be useful in NATO military planning. Secretary Dulles agreed that his statement of April 23, which had been carefully prepared in collaboration with Defense, could be used by the military planners as they thought wise.

Reverting to the question of preparing public opinion for the use of nuclear weapons, Secretary Dulles agreed with the President's approach. He said that talk of atomic attack tended to create "peace-at-any-price people" and might lead to an increase of appeasement sentiment in various countries. The Russians are smarter on this question because they never talk about using atomic weapons. The President said the Russians had mentioned atomic weapons from time to time. For instance, they have said that the United States no longer has an atomic monopoly.

. . . .

Secretary Wilson said the Department of Defense expected to continue the 1955 force levels through 1956; that it would price these force levels with continental defense programs added, and take a new look at its plans about December 1. The President remarked that war plans were never completed. He thought that war planning was the heart and soul of the military machine because planning kept everyone on his toes, but the plan itself was probably not worth very much. He added that it was frustrating not to have plans to use nuclear weapons generally accepted. Secretary Wilson said that the idea of using nuclear weapons involved a big change in military thinking, and that it took time to get everyone to accept this change.

The discussion then turned to the problem of local Communist aggression. Secretary Dulles pointed out that the second sentence of paragraph 12 [10] required the United States to use U.S. forces in

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[9] For text of this statement, see vol. v, Part 1, p. 509.

[10] Paragraph 12 of NSC 5422/1 reads:

Continued

defeating local aggressions. He had thought that the principal factor restraining local aggression by the Communists was the deterrent nuclear power of the United States.

The President said that the theory of retaliation falls down unless we can identify the aggressor. In many cases aggression consists of subversion or civil war in a country rather than overt attack on that country. In such cases it is difficult for us to know whom to retaliate against.

Secretary Wilson suggested that paragraph 12 be omitted. He felt the United States would have to determine its policy on a case-by-case basis. Secretary Dulles noted that in negotiations for a Southeast Asia pact he had been proceeding on the assumption that there would be no build-up of U.S. military power in Southeast Asia sufficient to stop an aggressor. The second sentence of paragraph 12 would require building up a great Southeast Asia force similar to NATO forces.

Mr. Cutler pointed out that the U.S. forces used against local aggression might be mobile forces and would therefore not necessarily be stationed in the area threatened by aggression. Secretary Wilson said that paragraph 12 meant that we would have to keep another 200,000 men ready to move in the direction of local aggression. Secretary Dulles said that he had already warned the countries that might participate with us in a Southeast Asia pact that the United States would not be stationing large military forces in Southeast Asia. Secretary Wilson referred to the idea sometimes advanced, that we might use air and naval forces against aggression without committing ground forces. He was opposed to this idea; he thought we should not send our Air Force or Navy into combat if we were not willing to commit the Army also.

Governor Stassen inquired what would happen if the Chinese Communists helped Indonesian Communists seize one of the Indonesian islands. Would we passively accept this situation, or would we use U.S. forces to clean it up?

The President said that it would be fatal to our national security to have relatively immobile U.S. forces stationed all around the globe. If major war occurred while we were in such a situation we would be helpless. He thought we had to depend on the indigenous

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"To permit appropriate flexibility in the capability of deterring or defeating local aggressions, the U.S. should be prepared to defeat such aggressions without necessarily initiating general war. This requires that the U.S. maintain and be ready to use for this purpose requisite U.S. forces in conjunction with indigenous forces, supplemented by U.S. logistical support and by available support from other nations acting under U.N. or regional commitments. However, the U.S. must be determined to take, unilaterally if necessary, whatever additional action its security requires, even to the extent of general war, and the Communists must be convinced of this determination."

victims of aggression for some of the fighting. If people don't want to be free and won't fight for freedom, he added, there is not much we can do. But if they fight hard and need help, we can send the Marines and the Air Force. The United States can't become an armed camp. If we get many more divisions tied down the way we have some tied down in Korea now, we will have to go to general mobilization.

Secretary Humphrey said that paragraph 12 stated the kind of situation that is most likely to occur, and should therefore receive very careful consideration.

Governor Stassen felt that even though we could not, as pointed out by the President, station troops all around the world, we nevertheless might want to use U.S. forces to clean up certain situations. The President agreed that this was indeed the case.

At this point Secretary Humphrey said that he was compelled to leave the meeting to go to the Hill and try to get the debt limit raised in order that Uncle Sam could pay his bills for the next few months. He added that he did not expect the debt ceiling to be raised very much, and that hereafter he would have to request that it be raised again every time a deficit occurred. A deficit of $4.1 billion was now contemplated. Budgetary receipts might be enough less than anticipated so that the deficit would become $5 billion unless expenditures were reduced. Secretary Humphrey therefore suggested (1) that all programs be put on an austerity basis, and (2) that if we decided we *must* have something new and cannot get it by readjusting approved programs, we should go back to Congress and ask for a tax increase. In other words, we should pay as we go. He added that he was not suggesting that we give up anything we really need for national security, but the need should be so great that we should be willing to ask for more taxes.

The President believed that no one would disagree with Secretary Humphrey. However, he said, there is another side to the picture. If we do need some new program for our national security, let's not quarrel with the consequences. For instance, if we need an air-to-air rocket program, let's not be afraid to say so and ask for the taxes to get it. The President added that we were always trying to eliminate unnecessary expenditures.

Secretary Wilson said that of course two-thirds of our expenditures related to defense, but not all the unnecessary expenditures occurred in Defense.

Secretary Dulles, with reference to paragraph 13-d,[11] said that the greatest need of threatened areas was defense support, which ought to be mentioned in the paragraph. . . .

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[11] Paragraph 13-d of NSC 5422/1 reads:

"Provide military aid and training to threatened areas where such aid can effectively contribute to internal stability or the creation of strength in regional areas."

Dr. Flemming said that he had no objection to the omission of the bracketed sentences at the end of paragraph 13–e. [12]

With respect to paragraph 14, [13] Mr. Hughes said that the clause "recognizing that increased efforts in certain programs, involving increased expenditures, should be made as required", appeared to confer blanket authority for continuous increase of expenditures. The Bureau of the Budget felt that any increased expenditures should result from the process of normal budgetary review rather than from a paragraph in an NSC paper.

The President asked whether the insertion in paragraph 14 proposed by Budget, "through revision of priorities", meant that each new program would displace some old program. Mr. Hughes replied in the affirmative. The President said that it would not always be possible to eliminate an old program in order to make room for a new one, but that an effort in this direction should of course be made in each case.

Secretary Wilson saw no need for this paragraph. He added that Defense should not always be asked to knock out something old in order to get something new.

Mr. Cutler suggested that the paragraph might indicate that efforts would be made to adjust priorities when a new program was proposed, and that ultimate decisions would be subject to the normal budgetary processes.

The President said that a new program would have a greater chance of adoption if it did not require an increase in over-all expenditures. He felt sure, however, that the military departments were aware of the importance of a sound economy and that the normal budgetary processes were a sufficient check on expenditures.

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[12] Paragraph 13–e of NSC 5422/1 reads:

"In instances of civil war, be prepared, with maximum free world support, to take military action in support of friendly free world governments or forces fighting against elements under Communist control; the decision whether to take such action being made in the light of all the circumstances existing at the time. [The United States should be prepared to prevent by all the means at its disposal, including military intervention, where necessary, the loss of millions of people to communism. It should not be deterred by the fear of being accused of supporting colonialism where the loss is imminent and reform is impossible within the time limits available.]"

The bracketed portion is annotated as follows: "Proposed by ODM."

[13] Paragraph 14 of NSC 5422/1 reads:

"*Program Guidance Under Section I*.

"Present and planned implementation of programs should continue to be guided by paragraphs 9, 10, 34 and 40 of NSC 162/2, recognizing that increased efforts in certain programs, involving increased expenditures, should be made [through revision of priorities] as required to support national security policies and to meet anticipated increases in Soviet-Communist capabilities."

The bracketed portion is annotated as follows: "Proposed by the Bureau of the Budget".

Mr. Cutler then summarized Section II of NSC 5422/1, "Maintenance of the Cohesion of the Free World". Secretary Dulles called attention to paragraph 16-c. [14] He said he did not disagree with the idea of persuading our allies of the need to halt further Communist expansion, but he feared that this aim was not readily attainable. Our allies will not go to general war to halt indirect aggression.

The President asked Secretary Dulles what we would do if Indonesia openly embraced Communism. Secretary Dulles said we probably would have to take some action such as supporting non-Communist elements in a counterrevolution and imposing a naval blockade. He believed, however, that Britain and France would refuse to take any action in this contingency. The President said there was some evidence that the British were becoming more amenable to our point of view.

Governor Stassen wished to emphasize paragraph 18, [15] which, if the bracketed clause were retained, would be the only paragraph in the paper pointing toward a rollback of Soviet power. Secretary Dulles hoped that the bracketed clause in paragraph 18 would be omitted, because it implied that the rollback would take place only in Asia. He thought there should be long-range plans for a rollback in the satellites, in Iran, etc., but he wished to emphasize that these plans would have to be very long-range indeed.

The President suggested that a paragraph of the paper might indicate that while the time of a significant rollback was far in the future, nevertheless we should watch any opportunities and prepare plans for an earlier contracting of Soviet power.

Secretary Dulles said he had no objection to inclusion of the bracketed sentence in paragraph 20. [16] The President added that

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[14] Paragraph 16-c of NSC 5422/1 reads:

"To seek to pursuade its Allies of the necessity to confront the Soviets with unmistakable evidence of an unyielding determination to halt further significant Communist expansion, direct or indirect, [even if that involves grave risks to general war.]"

The bracketed portion is annotated as follows: "State dissents."

[15] Paragraph 18 of NSC 5422/1 reads:

"The relative susceptibility of much of free Asia to the Communist tactic of creeping expansion requires that the U.S. devote greater efforts than heretofore to this region. The U.S. should exert its leadership in the Pacific toward the creation of a position of strength calculated to block Communist expansion [and eventually to contract Communist-controlled areas and power] in the Far East and Southeast Asia. In its Pacific role, the United States should be less influenced by European allies than in respect to Atlantic affairs."

The bracketed portion is annotated as follows: "Proposed by Defense and JCS."

[16] Paragraph 20 of NSC 5422/1 reads:

Continued

this bracketed sentence was a G–2 estimate. In this connection the President expressed some doubt that a strong U.S. initiative toward arming Germany would be a means of compelling the ratification of EDC.

Secretary Dulles wondered whether the term "reduced barriers" in paragraph 24–d also included the idea of not raising barriers. The President thought the term probably referred to the total effect; that is, a few barriers might go up, but most of them would come down, so that the net effect would be one of reduction. Secretary Dulles suggested that paragraph 24–d should state that the principles contained in the President's message of March 30 [17] should be applied to imports.

The Council then discussed Section III of NSC 5422/1, "Mobilization". Secretary Wilson proposed that paragraphs 28 and 29 [18] be omitted. He said the figures in these paragraphs were inaccurate and out of date. Dr. Flemming said he had no objection to bringing the paragraphs up to date, but felt that the basic problem stated in these paragraphs should be pointed out. Mr. Cutler said the figures contained in the paragraphs were those provided the Planning Board by the Defense representatives. Secretary Wilson said a

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"The U.S. should attempt to gain maximum support from the free world, both allies and uncommitted countries, for the collective measures necessary to prevent Communist expansion. As a broad rule of conduct, the U.S. should pursue its objectives in such ways and by such means, including appropriate pressures, persuasion, and compromise, as will maintain the cohesion of the alliances. The U.S. should, however, act independently of its major allies when the advantage of achieving U.S. objectives by such action clearly outweighs the danger of lasting damage to its alliances. [In this connection, consideration should be given to the likelihood that the initiation of action by the U.S. prior to allied acceptance may bring about subsequent allied support.] Allied reluctance to act should not inhibit the U.S. from taking action, including the use of nuclear weapons, to prevent Communist territorial gains when such action is clearly necessary to U.S. security."

[17] For President Eisenhower's Special Message to the Congress on Foreign Economic Policy, Mar. 30, 1954, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1954*, pp. 352–364.

[18] Paragraphs 28 and 29 of NSC 5422/1 read:

"Presently projected production of military hard goods (excepting nuclear components) will not provide adequate expansion of capacity to produce newer weapons to replace those which have become obsolete. Under present projections for FY 1957, $10 billion of the total military hard goods expenditures of $12.5 billion will be allocated to aircraft, guided missiles and ships, leaving only $2.5 billion for all other items. In FY 1954 expenditures for such other items were $6.8 billion.

"Should general war commence in FY 1957, the U.S., even if it should escape damage by enemy action, could produce only about $36 billion of end items within 12 months of M-Day, as against a current possibility of producing about $55 billion of end items in 12 months. These estimated low rates are premised on limitations of end item productive capacity. Essential needs of the civilian economy would impose no limitation on defense hard good production up to a limit of about $70 billion a year. Capacity thus limited, even with end item reserves then in hand, would provide a mobilization potential below that considered adequate to support a general war."

check in Defense had revealed that the figures were wrong. The President said the Council couldn't pass on this kind of question, and suggested that Defense should be careful hereafter to provide the Planning Board with correct information.

Secretary Wilson said that no plans existed to maintain the present mobilization base after present defense orders run out. He felt that plants working on defense orders should also be working in part on civilian production, so that adjustments between defense and civilian orders could be made as necessary. He would like to see a separate paper prepared on the maintenance of the mobilization base.

Dr. Flemming said a policy on current production and the mobilization base was being worked out. However, the question must be faced whether we can afford to halt current defense production altogether. We don't know whether we can afford to let current defense production go below a certain figure. As an example of one way of maintaining current production, Dr. Flemming referred to "upgrading the stockpile", i.e., taking bauxite out of one stockpile and converting it into aluminum for another stockpile. The President felt that maintaining the mobilization base was of the greatest importance. He endorsed the idea of upgrading the stockpile, as well as the idea that defense contractors should be working partly on civilian needs. Mr. Cutler suggested that Section III of the paper might be referred to ODM, with the collaboration of others, for revision.

At this point Dr. Burns was asked to present the views of the Council of Economic Advisers on Appendix B, "Fiscal and Budgetary Outlook". Dr. Burns said that the terms "surplus" and "deficit" depended on the method of budgetary accounting. If Social Security income and expenditures were included in the table in Appendix B, the indicated deficit of $3 billion would vanish and something like a balance would be achieved. Moreover, on the receipts side it would be possible to estimate $2 billion more revenue in 1956 by making more optimistic assumptions regarding employment than the authors of the table had made. Finally, the table had been prepared before Congress took action on taxes. As a result of Congressional action, tax receipts would be somewhat higher in 1957. In summary, Dr. Burns said, if optimistic assumptions are adopted the picture is a great deal more rosy than the table in Appendix B indicates. The President said he had no objections to occasional optimism.

The National Security Council: [19]

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[19] Paragraphs a–c constitute NSC Action No. 1194. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

a. Discussed the reference report on the subject in the light of the views of the Joint Chiefs of Staff circulated at the meeting.

b. Adopted the statement of policy contained in NSC 5422/1, subject to the following changes:

> (1) *Paragraph 4, line 7:* Place a period after the words "risk of war" and substitute for the remainder of the paragraph the sentence: "Because Soviet action under this situation cannot be accurately predicted, the free world will have to be especially vigilant."
>
> (2) *Paragraph 7:* Delete the bracketed sections and substitute therefor "and give to these programs very high priority, having in mind that it is estimated the Soviets will reach a high capability for strategic nuclear attacks by July 1957."
>
> (3) *Paragraph 9:* Revise to read as follows:
>
> "9. Planning should be on the assumption that, if general war should occur, the United States will wage it with all available weapons."
>
> (4) *Paragraph 12:* Revise the second sentence to read: "For this purpose the U.S. should be prepared to assist, with U.S. logistical support and if necessary with mobile U.S. forces, indigenous forces supplemented by available support from other nations acting under UN or regional commitments."
>
> (5) *Paragraph 13–d:* After the word "training" insert "and defense support".
>
> (6) *Paragraph 13–e:* Delete the bracketed section.
>
> (7) *Paragraph 14:* Place a semicolon after "NSC 162/2" in line 3; delete the bracketed section; and add at the end the following sentence: "Final determination on all budget requests will be made by the President after normal budgetary review."
>
> (8) *Paragraph 16–c:* Reword as follows:
>
> "c. To seek to persuade its allies of the necessity to halt further significant Communist expansion, direct or indirect."
>
> (9) *Paragraph 18:* Delete the bracketed section, and in lieu thereof insert a new paragraph following paragraph 19 (renumbering subsequent paragraphs accordingly) to read as follows:
>
> "20. Although the time for a significant rollback of Soviet power may appear to be in the future, the U.S. should be prepared, by feasible current actions or future planning, to take advantage of any earlier opportunity to contract Communist-controlled areas and power."
>
> (10) *Paragraph 20:* Include the bracketed sentence.
>
> (11) *Paragraph 22:* Include the bracketed section.
>
> (12) *Paragraph 24–d:* Reword as follows:
>
> "d. Apply the principles relative to U.S. imports contained in the President's March 30 message to Congress on the Randall Report."

(13) *Section III:* Referred to the Office of Defense Mobilization in collaboration with the Department of Defense, the Foreign Operations Administration, and the Bureau of the Budget, for revision and resubmission to the Council by September 10.

c. Agreed that the next progress reports on the implementation of the continental defense programs set forth in NSC 5408, in accordance with paragraph 7 of NSC 5422/1 as revised, should be submitted on November 15 instead of December 15.

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MARION W. BOGGS

S/S-NSC files, lot 63 D 351, NSC 5422

Statement of Policy by the National Security Council[1]

TOP SECRET [WASHINGTON,] August 7, 1954
NSC 5422/2

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON GUIDELINES UNDER NSC 162/2 FOR FY 1956

References:
- A. NSC 5422/1 and Annexes to NSC 5422[2]
- B. NSC Action Nos. 1125, 1169 and 1194[3]
- C. NSC 162/2[4]
- D. NIE 11-5-54 and NSC 13-54[5]

The National Security Council, the Secretary of the Treasury, the Attorney General, the Director, Bureau of the Budget, the Chairman, Atomic Energy Commission, the Federal Civil Defense Administrator and the Chairman, Council of Economic Advisers at the 209th Council meeting on August 6, 1954, adopted the statement of policy contained in NSC 5422 with the exception of Section III thereof and subject to the changes which are set forth in NSC Action No. 1194-b. The Council referred Section III of NSC 5422/1 to the Office of Defense Mobilization in collaboration with the Department of Defense, the Foreign Operations Administration, and the Bureau of the Budget for revision and resubmission to the Council by September 10, 1954.

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[1] Copies to the Secretary of the Treasury, the Attorney General, the Directors of the Bureau of the Budget and of Central Intelligence, the Chairmen of the Atomic Energy Commission and of the Joint Chiefs of Staff, and the Federal Civil Defense Administrator.

[2] For information on NSC 5422/1, see footnote 1, p. 699. For the Annexes to NSC 5422, see p. 667.

[3] For information on NSC Action No. 1125, see footnote 4, p. 648; for information on NSC Action No. 1169, see the editorial note, p. 698; for NSC Action No. 1194, see footnote 19, *supra*.

[4] Dated Oct. 30, 1953, p. 577.

[5] For information on NIE-11-5-54 and NIE-13-54, see footnote 5, p. 648.

The President has this date approved the statement of policy contained in NSC 5422/1, as amended and adopted by the Council and enclosed herewith and directs its implementation as guidelines under NSC 162/2 for the development of national security programs by the appropriate departments and agencies for FY 1956, including the preparation of budget requests for normal budgetary review.

JAMES S. LAY, JR.

[Here follows a one-page table of contents.]

[Enclosure]

Statement of Policy by the National Security Council

TOP SECRET [WASHINGTON, undated.]

GUIDELINES UNDER NSC 162/2 FOR FY 1956

I. POLITICO-MILITARY GUIDELINES

1. There have been substantial changes in the intelligence estimates of certain current and future Soviet capabilities since the adoption of NSC 162/2, particularly in regard to the estimates of increased Soviet nuclear capability in weapons and delivery systems. Also, since the adoption of NSC 162/2, unity of action among the free world allies has been increasingly strained by conflicts of interest and by divisive forces. It is estimated that such factors and an increasing fear of Soviet nuclear capabilities will continue to influence adversely the cohesion of our alliances for the foreseeable future, and that the Communist powers are likely to devote greater attention to expanding their control by penetration and subversion, particularly in the underdeveloped areas of the free world. A more complete analysis of the world situation and outlook is set forth in Appendix A to this paper.

Effect of Increased Nuclear Capabilities

2. With the growth both in Soviet nuclear capabilities and in the power of nuclear weapons themselves, in the period 1956-59, a total war involving the strategic use by both sides of nuclear weapons would bring about such extensive destruction as to threaten the survival of Western civilization and the Soviet regime.

3. Under these circumstances, the freedom of either side to initiate the use of strategic nuclear bombing against the other may be circumscribed by:

a. The fear of the effects of retaliatory use of such strategic bombing; and

b. The possibility that neither side would gain a decisive military advantage from such an exchange of nuclear blows.

4. This situation could create a condition of mutual deterrence, in which each side would be strongly inhibited from deliberately initiating general war or taking actions which it regarded as materially increasing the risk of general war. However, the free world powers are becoming increasingly cautious about joining in actions which they believe will enhance the risk of war. Because Soviet action under this situation cannot be accurately predicted, the free world will have to be especially vigilant.

5. The situation described in pars. 2 and 3 could also tempt the Soviets into attacking the United States if they believed that initial surprise held a prospect of destroying the U.S. retaliatory power before it could be used.

Prevention of Soviet Nuclear Attack

6. To ensure Soviet fear that strategic nuclear attacks upon the U.S. would be followed by the nuclear devastation of the USSR and the destruction of the Soviet regime, the U.S. should:

a. Maintain the striking forces necessary for such retaliation.

b. Take all practicable measures to protect this retaliatory capacity against any foreseeable Soviet attack.

7. The U.S. should accelerate its military and non-military programs for continental defense set forth in NSC 5408 [6] to the fullest extent deemed feasible and operationally desirable and give to these programs very high priority, having in mind that it is estimated the Soviets will reach a high capability for strategic nuclear attacks by July 1957.

Disarmament

8. Despite serious question whether any safe and enforceable system can be achieved in the foreseeable future, the U.S. should nevertheless continue to explore fully the possibility of reaching a practicable arrangement for the limitation of armaments with the USSR. The U.S. should therefore continue to reexamine its position on disarmament, especially (a) whether a promising climate for effective disarmament negotiations can be developed, (b) whether a system of safeguards can be devised entailing less risk for U.S. security than no limitation of armaments, and (c) whether, if a safe and enforceable system for assuring effective nuclear disarmament, which might be acceptable to the USSR, can be devised, the U.S.

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[6] Dated Feb. 11, p. 609.

would be willing to accept it in the absence of conventional disarmament. Meanwhile, the United States should continue to refuse to accept nuclear disarmament except as part of general disarmament.

General War

9. Planning should be on the assumption that, if general war should occur, the United States will wage it with all available weapons.

10. There is increasing possibility that an important part of the U.S. overseas base complex may become ineffective in the event of general war because of political reasons (including susceptibility of the local government to atomic blackmail) or military reasons (exposure to immediate destruction by enemy action). The U.S. should, while exerting continued efforts to strengthen collective defense arrangements, including the ability to use such bases for nuclear attack in the collective defense of the free world, also increase emphasis on developing self-sufficiency for the conduct of offensive operations exploiting the use of nuclear weapons, consistent with sound military concepts.

Local Communist Aggression

11. U.S. policy to deter or defeat overt Communist aggression will be accomplished, in part, by the programs described above to maintain and enhance the U.S. capability to wage general war. This capability will continue to be a deterrent to identifiable overt aggression so long as the Communist believe that such aggression could eventually lead to general war.

12. To permit appropriate flexibility in the capability of deterring or defeating local aggressions, the U.S. should be prepared to defeat such aggressions without necessarily initiating general war. For this purpose the U.S. should be prepared to assist, with U.S. logistical support and if necessary with mobile U.S. forces, indigenous forces supplemented by available support from other nations acting under UN or regional commitments. However, the U.S. must be determined to take, unilaterally if necessary, whatever additional action its security requires, even to the extent of general war, and the Communists must be convinced of this determination.

Communist Expansion Other Than by Overt Aggression

13. An immediate and most serious threat to the free world is further Communist expansion through subversion, indirect aggression, and the instigation or exploitation of civil wars in free world countries, as in Indochina, rather than direct armed aggression. The advantages of this strategy, if successful, lie in the continued accretions to Communist strength and prestige and the progressive

weakening of the free world coalition, both politically and militarily, while the involvement of the main sources of Communist power is avoided. Moreover, these methods make it very difficult for the U.S. to respond primarily by military means. The U.S. can best meet this threat of piecemeal conquest by a flexible combination of political, psychological, economic and military actions. In view of the loss of Northern Vietnam, the U.S. cannot passively accept further significant extension of Communist control. It must act, both in relation to the Communist powers and to the peoples of threatened areas, so as to prevent such extension of control. In particular, the U.S. should:

a. Seek more than military solutions to the varied aspects of the Soviet-Communist threat, and create an understanding in the free world that such is the U.S. objective.

b. Make increased efforts to develop and carry out cooperative programs, not necessarily overtly anti-communist, designed to advance the political and economic strength of underdeveloped areas, along lines indicated in Section II below.

c. Take all feasible political, economic and covert measures to counter the threat of groups or forces responsive to communist control to achieve dominant power in a free world country.

d. Provide military aid and training and defense support to threatened areas where such aid can effectively contribute to internal stability or the creation of strength in regional areas.

e. In instances of civil war, be prepared, with maximum free world support, to take military action in support of friendly free world governments or forces fighting against elements under Communist control, the decision whether to take such action being made in the light of all the circumstances existing at the time.

Program Guidance Under Section I

14. Present and planned implementation of programs should continue to be guided by paragraphs 9, 10, 34 and 40 of NSC 162/2; recognizing that increased efforts in certain programs, involving increased expenditures, should be made as required to support national security policies and to meet anticipated increases in Soviet-Communist capabilities. Final determination on all budget requests will be made by the President after normal budgetary review.

II. GUIDELINES FOR MAINTENANCE OF THE COHESION OF THE FREE WORLD

Relations with Allies and Uncommitted Countries

15. Major allies will continue to be essential to the U.S. to prevent the loss of major free areas to Communist control and the gradual isolation of the U.S. However, increasing elements of division and weakness in free world alliances may make it difficult to

take decisive collective action to halt further Soviet expansion, particularly in Asia.

16. In these circumstances, and recognizing the necessity to create, prior to the achievement of mutual atomic plenty, conditions under which the United States and the free world coalition are prepared to meet the Soviet-Communist threat with resolution and to negotiate for its alleviation under proper safeguards, the U.S. should take action as practicable:

a. To overcome the divisive factors mentioned in paragraph 5–b of Appendix A and to strengthen the cohesion of the alliances under U.S. leadership.

b. To convince its allies that U.S. policies and actions take due account of their security as well as its own and that the U.S. and its allies will be able to meet the threat of aggression even in case of nuclear balance.

c. To seek to persuade its allies of the necessity to halt further significant Communist expansion, direct or indirect.

17. The U.S. should continue to help build political, economic, and military strength and cohesion in Western Europe, which is a major source of free world power, provides our principal allies, and plays an essential role in preventing Soviet expansion.

18. The relative susceptibility of much of free Asia to the Communist tactic of creeping expansion requires that the U.S. devote greater efforts than heretofore to this region. The U.S. should exert its leadership in the Pacific toward the creation of a position of strength calculated to block Communist expansion in the Far East and Southeast Asia. In its Pacific role, the United States should be less influenced by European allies than in respect to Atlantic affairs.

19. The U.S. should direct its efforts in areas of the free world, other than Europe and Asia, on a selective basis aimed at influencing for the better situations potentially adverse to its important security interest.

20. Although the time for a significant rollback of Soviet power may appear to be in the future, the U.S. should be prepared, by feasible current actions or future planning, to take advantage of any earlier opportunity to contract Communist-controlled areas and power.

21. The U.S. should attempt to gain maximum support from the free world, both allies and uncommitted countries, for the collective measures necessary to prevent Communist expansion. As a broad rule of conduct, the U.S. should pursue its objectives in such ways and by such means, including appropriate pressures, persuasion, and compromise, as will maintain the cohesion of the alliances. The U.S. should, however, act independently of its major

allies when the advantage of achieving U.S. objectives by such action clearly outweighs the danger of lasting damage to its alliances. In this connection, consideration should be given to the likelihood that the initiation of action by the U.S. prior to allied acceptance may bring about subsequent allied support. Allied reluctance to act should not inhibit the U.S. from taking action, including the use of nuclear weapons, to prevent Communist territorial gains when such action is clearly necessary to U.S. security.

22. With respect to those uncommitted or underdeveloped areas of the free world which are the most likely targets for Communist expansion, particularly in Asia, the U.S. should:

a. Undertake a new initiative designed to improve the political and economic stability of those nations, to enhance their will and ability to maintain their independence against Communist pressures and possible aggression, and to counter the influences exercised by the Communist powers.

b. Seek their cooperation on a basis of mutual self-respect without attempting to make active allies of those not so inclined, and refrain, so far as feasible, from taking or supporting actions which run counter to the forces of anti-colonialism and legitimate nationalism.

Economic Policies and Programs

23. *Economic Development.* The U.S. should, as a major objective of its policy, help accelerate present rates of economic growth in the under-developed areas, particularly in South and Southeast Asia and parts of Latin America. Measures to assist and guide economic development should include continuing technical assistance, exchange programs, encouragement of U.S. private investment in these countries, and greater self-help on their part. With respect to important development programs which cannot be financed by local or foreign capital or U.S. private capital, the U.S. Government should assist countries where accelerated rates of growth are required for the attainment of U.S. objectives and where such assistance will be used effectively. Such assistance may be required on a larger scale than the present country programs. However, the total level of U.S. economic assistance worldwide should be progressively reduced so far as is consistent with U.S. security objectives.

24. *Regional economic action.* In addition to bilateral actions and existing multilateral institutions, the U.S. should encourage regional economic actions and groupings to promote increased trade, technical cooperation, and investment, and to concert sound development plans. Specifically, the U.S. should take the initiative in free Asia by encouraging free Asian countries to form ties of closer economic cooperation and to prepare a sound regional economic program, based upon mutual self-help and the cooperation and sup-

port of the U.S. and other industrialized countries. The U.S. should assist in the carrying out of such a program and encourage such industrialized countries to participate in and support such programs.

25. *Promotion of freer trade and payments.* To lead the free world to the reduction of restrictions on trade and payments, the U.S. should:

a. Support sound moves toward convertibility, with appropriate action on related trade matters.
b. Urge and bargain with other free world countries to reduce barriers to their imports.
c. Support continued effective action in OEEC on intra-European and dollar trade and, prior to moves to convertibility, on intra-European payments.
d. Apply the principles relative to U.S. imports contained in the President's March 30 message to Congress on the Randall Report. [7]

26. The U.S. stockpiling program should not normally be used to help stabilize international markets for the exports of under-developed countries in order to enhance their foreign exchange position and assist in their internal development. Exceptions should be made in instances where, after appraisal on a case-by-case basis, it is determined that there would be a clear advantage in terms of over-all U.S. interests.

Military Assistance to Friendly Countries

27. The United States should continue military assistance, including economic aid for military support, in accordance with current policies, taking account of the need for developing and maintaining the strength of foreign forces indicated in pars. 12, 13–d, 17 and 18 above, pending the scheduled review of this subject by the National Security Council. Such review will include the development of more flexible over-all procedures for providing U.S. military assistance to foreign nations to meet changing world conditions and in accordance with the availability of end items; relative priority among recipient nations; and the extent to which such nations can meet their needs from their own resources. The U.S. should also determine the extent to which the national interest requires that post D-day military aid requirements of our allies be included in national security programs.

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[7] For text of President Eisenhower's Special Message to the Congress on Foreign Economic Policy, Mar. 30, 1954, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1954*, pp. 352–364.

III. GUIDELINES FOR MOBILIZATION

28. By NSC Action No. 1194-b (13) Section III of NSC 5422 was referred to the Office of Defense Mobilization in collaboration with the Department of Defense, the Foreign Operations Administration, and the Bureau of the Budget, for revision and resubmission to the Council by September 10.[8]

IV. FISCAL AND BUDGETARY OUTLOOK

29. The Treasury Department and the Bureau of the Budget have prepared a budget outlook for fiscal years 1956 and 1957, which assumes continuance of major national security programs and foreign economic aid, as heretofore formulated under currently established policies, and continuation of the present policy of reducing all other expenditures to the maximum extent possible (see Appendix B). [The figures appearing in item 3 of the table in Appendix B are considered to be only rough orders of magnitude.]*

Appendix A

ELEMENTS OF THE WORLD SITUATION AND OUTLOOK

THE SOVIET THREAT THROUGH MID-1959

(NIE 11-5-54, NIE 13-54, and "Explanation of Table of Comparisons of Estimated Soviet Military Capabilities in Key Respects" in Annex 4 of NSC 5422)

1. *Status of the Soviet Bloc*

a. The internal stability of the Soviet Union and its control of the European satellites have not diminished and may be expected to remain intact through 1959.

b. However, the Soviet bloc is faced with internal problems such as popular discontent in the satellites, agricultural shortages and opposition to collectivization, rivalries within the collective leadership and serious defections from the secret services.

c. Communist China has gained prestige more rapidly than anticipated; its power will continue to increase. Despite potential conflicts of interest, the present close Sino-Soviet collaboration will persist.

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[8] See the memorandum from Lay to the National Security Council, Oct. 5, p. 731.

* Proposed by Defense, FOA and ODM. [Footnote and brackets in the source text.]

2. Soviet Bloc Military Capabilities

Estimates of certain current and future Soviet military capabilities have been raised substantially since the adoption of NSC 162/2. Key examples are shown in the following table:

	Current		*Future*	
	'53 Estimates of '53 Situation	*'54 Estimates of '54 Situation*	*'53 Estimates of '57 Situation*	*'54 Estimates of '59 Situation*
Nuclear Weapons				
(Energy yield)				
Largest Weapon	500–1000 KT	1000 KT	500–1000 KT	10,000 KT
Total Stockpile	6 MT	25 MT	25 MT	172 MT (tested technology) 860–4300 MT (possible technology)
Long-Range Bombers				
Prop. Medium (TU-4)	1000	1270	1200	400
Jet Medium ("39")	1 Prototype	40*	50 (mid '55)	200 (mid '55)* 600–900 (mid '59)*
Jet Heavy ("37")	—	1 Prototype	—	100 (Possibly 300)
Surface-to-Surface Guided Missiles.				
450–500 mi. (V2 type)	—	—	Future Obscure	Operational by '56
Inter-Continental				
a pilotless bomber	—	—	Future Obscure	Possible in '59
b ballistic	—	—	—	—
Air Defense				
All-weather fighters with A–I Radar.	—	—	A few by '55	200 (mid '55) 2100 (mid '59)

	Current		*Future*	
	'53 Estimates of '53 Situation	*'54 Estimates of '54 Situation*	*'53 Estimates of '57 Situation*	*'54 Estimates of '59 Situation*
Submarines				
Improved Ocean Patrol Submarines.	20	65*	100	295

Note. This table necessarily involves substantial simplification of National Intelligence Estimates, existing and pending. Items marked with an asterisk (*) represent revisions since the similar table presented with NSC 5422.

3. *Soviet Bloc Capabilities for Political Warfare, Subversion and Local Aggression*

a. Present and future Soviet Bloc capabilities for expansion by action short of general war appear, in the light of developments in Indochina and at Geneva, greater than a year ago. Throughout most of the free world, especially in Asia, the Communists have the capability through hardcore activists to engage in a wide variety of forms of penetration and subversion, ranging from organized civil war (as in Indochina) through persistent guerrilla activities (as in Malaya) to inflammatory demonstrations, propaganda, "popular fronts," and parliamentary harassment. The Communists will therefore increase their emphasis on a "creeping expansion" in preference to overt aggression, and they will continue to take over spontaneous movements bred of nationalistic fervor or economic discontent and to exploit free world disunity.

b. In the period through 1959, the Soviet rulers will almost certainly believe that, as Soviet nuclear capabilities increase, the aversion of the U.S. and, more especially, of its allies to general war will correspondingly increase, and that the Kremlin will therefore have greater freedom to take certain actions, including local military actions, without running substantial risk of general war [in situations where the allies would be likely to act as a brake on the United States.] † The Kremlin may employ the threat of nuclear devastation as an instrument of political warfare. The Kremlin will, however, continue to be extremely reluctant to precipitate a contest in which the USSR would be subjected to nuclear attack. At the same time, the Kremlin would probably not be deterred by the risk of general war from taking counteraction against an action by the U.S. or its allies which the Kremlin considered an imminent threat to Soviet security. The extent to which the Kremlin uses the increased freedom of action which its increased nuclear capabilities appear to give it, and the success which it achieves, will depend primarily on the cohesion of the non-Communist world, and the determination and strength of the major free world powers.

TRENDS IN THE FREE WORLD THROUGH MID-1959

4. *Military* (JCS study on "Estimate of the Military Posture Throughout the Free World, FY 1956 Through FY 1959," in Annex 2 of NSC 5422)

a. The U.S. will achieve atomic plenty during the early part of this period and prior to like achievement by the Soviets. The U.S. is expected to maintain relative numerical and qualitative superiority in nuclear weapons and the means for their delivery. As the Soviets approach the absolute atomic capability of inflicting critical damage upon U.S. and other allied targets, however, there could result a condition of mutual deterrence to general war.

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† Proposed by State. [Footnote and brackets in the source text.]

b. Free world forces will be confronted with quantitative superiority in ground and tactical air forces in the geographical areas contiguous to the Soviet Bloc. However, the superior tactical atomic support which can be provided our allies during this period will, if accepted by them, partially offset allied deficiencies in conventional forces. Taken as a whole, effectiveness of European forces is considered fair to good. There has been no progress in forming West German forces and limited progress in forming Japanese forces. Events in the Far East resulted in a suspension of planned redeployments from that area. D-day NATO commitments of U.S. forces in Europe remain unchanged. No progress has been made in forming a strategic reserve based generally on U.S. territory, with a high degree of combat readiness and a capability of being moved to any threatened area.

5. *Alliances*

a. There have been serious instances of an unwillingness of important free world nations to take concerted action which the U.S. considers necessary to oppose communist expansion, particularly as regards Indochina, East-West trade, and EDC. West Germany is becoming restive because of protracted delay in recovering its sovereignty. The long-term alignment of Japan with the free world has become less certain. The situation with respect to Indochina has deteriorated with unexpected rapidity, confronting the free world with the possible loss of Southeast Asia to communism and causing, in the continued absence of effective countermeasures, loss of confidence, particularly in the Far East, as to the willingness and ability of the free world to prevent further losses to Communism.

b. The alliances of the free nations will continue to be strained by divisive forces and conflicts of interests which will be vigorously exploited by the USSR. In particular, unity of action will be impaired by:

(1) Increasing fear of the effects of nuclear weapons.

(2) Differing estimates of the nature and imminence of the Communist threat.

(3) Distrust of U.S. national purposes and leadership.

(4) Political instability and economic weakness of some of our allies.

(5) Conflicts regarding trade policy and economic integration.

(6) Historic hostility between certain of the allies.

(7) Differing approaches to "colonial" problems.

6. *Underdeveloped Areas*

The underdeveloped areas of the free world will be especially vulnerable to Communist penetration and subversion by reason of nationalism and anti-colonialism, deep-seated distrust of the West, retarded economic growth, military weakness, political ferment. Strong pressures will result from impatience to achieve political and economic aspirations. Failure of the local governments to provide some satisfaction of these aspirations will create additional trouble and disunity in the free world while benefiting the Soviet bloc and will increase the dangers of Communist take-over of independent countries without armed aggression from outside. This danger will be most acute in Asia, in dependent areas such as French North Africa which are still under European rule, and in parts of Latin America.

Appendix B

Fiscal and Budgetary Outlook

1. The Treasury Department and Bureau of the Budget have prepared the budget outlook for fiscal years 1956 and 1957 as follows, assuming continuance of major national security programs and foreign economic aid, as heretofore formulated under current established policies, and continuation of the present policy of reducing all other expenditures to the maximum extent possible.

(in billions)	*1956 Projection*	*1957 Projection*
Budget Receipts		
1. Indicated total‡	$58.5	$60.0
Budget Expenditures (Bureau of the Budget estimates)		
2. Estimate for non-NSC programs:		
a. Relatively uncontrollable	14.2	14.6
b. Other	6.1	6.3
c. Total	20.3	20.9
3. Major NSC programs (based on expenditure trends under existing policies)	40.4	38.4
4. Indicated total (2 plus 3)	60.7	59.3

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‡Based on recommendations in Budget Message of January 1954 and subsequent action by Congress. Assumes congressional action next year to extend the present excise taxes on liquor, tobacco, gasoline and automobiles, which under existing law will be reduced on April 1, 1955 with resulting tax losses of $1.2 billion in 1956 and $1.1 billion in 1957. The figures do assume, however, that the 52 percent corporate tax rate will not be extended beyond April 1, 1955. Allowance is made in these figures for the anticipated growth of the economy. [Footnote in the source text.]

(in billions)	*1956 Projection*	*1957 Projection*
Indicated Gap		
5. To balance budget (4 minus 1)	2.2	-.7
If Additional Desirable Tax Cuts Are Passed §		
6. Increase in gap	2.9	6.1
7. To Balance budget with tax cuts (5 plus 6)	5.1	5.4

§Reduction in individual income tax rates when the corporate tax rate is reduced on April 1, 1955 and additional individual and corporate rate reductions during 1956. [Footnote in the source text.]

2. Actual receipts in fiscal 1954 were $64.6 billion. Revised estimates for fiscal 1955 are $58.7 billion.

3. The revenue estimates in the table are based on an assumption that practical full employment (approximately 2.5 million unemployed) will be restored by the middle of calendar year 1956, that personal income will be $300 billion in the calendar year 1955 and $315 billion in 1956, and that corporate profits will be $39 billion in 1955 and $40 billion in 1956.

4. Personal income in 1953 was $286 billion and was at the rate of $285 billion in May, 1954. Corporate profits were $39.4 billion in 1953 and at the rate of $34.5 billion in the first quarter of 1954. They are assumed to be $36.4 billion for the calendar year 1954 for purposes of the fiscal 1955 receipts estimate.

5. The economic assumptions underlying receipts for fiscal 1956 and 1957 have been agreed upon by the Treasury Department, the Bureau of the Budget, and the Council of Economic Advisers, except for the rate of recovery to a practical full employment level and the projected level of corporate profits for calendar 1955 and 1956. On the basis of an assumption by the Council of Economic Advisers of a recovery which would result in full employment on the average during calendar 1955 and a higher level of corporate profits for 1955 and 1956 than that assumed by the Treasury Department and the Bureau of the Budget, estimated receipts for fiscal years 1956 and 1957 would be increased by $2.3 billion and $2.2 billion, respectively over the figures decided upon for use in budget forecasts.

6. The expenditure estimates in the table represent the best judgment of the Bureau of the Budget as to expenditure levels that would result from a continuance of existing policies. It has been

necessary to make assumptions as to final congressional action on appropriation bills not yet enacted and on pending legislation, which might affect the figures materially. In accordance with established procedure new projections will be made after Congress adjourns to give the President the budget outlook based on final action by the Congress.

7. Estimates for relatively uncontrollable and other non-NSC programs are based on the present policy of reducing expenditures to the maximum extent possible. They assume that the administration will successfully resist pressures to increase certain Government activities and benefit payments. The increase from 1956 to 1957 results from programs initiated in 1955 (e.g., expanded highways and merchant ship construction) which involve larger expenditures in later years.

8. The levels of expenditure for national security and foreign aid programs are estimates by the Bureau of the Budget under present established policies and programs. The momentum of reductions under present policies will, of course, carry forward to a certain extent through 1956 and 1957, but no other adjustments or reductions have been assumed for these years.

S/S–NSC files, lot 63 D 351, NSC 5422

Memorandum to the National Security Council by the Executive Secretary (Lay) [1]

TOP SECRET

WASHINGTON, October 5, 1954.

Subject: Guidelines for Mobilization

References:

A. NSC 5422/2 [2]
B. NSC 5422 and Annexes thereto [3]
C. NSC 162/2 and Annexes thereto [4]
D. NSC Action No. 1194 [5]

The enclosed statement of policy on the subject, prepared by the NSC Planning Board, is transmitted herewith for consideration by the National Security Council at its meeting on Thursday, October

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[1] Copies to the Secretary of the Treasury, the Attorney General, the Directors of the Bureau of the Budget and Central Intelligence, the Chairmen of the Atomic Energy Commission and the Joint Chiefs of Staff, and the Federal Civil Defense Administrator.

[2] Dated Aug. 7, *supra*.

[3] For NSC 5422, June 14, and its Annexes, see pp. 647 and 667.

[4] Dated Oct. 30, 1953, p. 577.

[5] For NSC Action No. 1194, see footnote 19, p. 713.

14, 1954.[6] The enclosure will, if adopted, form Section III of NSC 5422/2.

It is recommended that, if the Council adopts the enclosed statement of policy after resolving divergencies contained therein, it be submitted to the President with the recommendation that he approve it; direct its implementation as guidelines under NSC 162/2 for the development of national security programs for FY 1956 by the appropriate departments and agencies, including the preparation of budget requests for normal budgetary review.

JAMES S. LAY, JR.

[Enclosure]

Statement of Policy Prepared by the National Security Council Planning Board

TOP SECRET [WASHINGTON, undated.]

III. GUIDELINES FOR MOBILIZATION

28. The U.S. matériel mobilization potential (a combination of reserves of completed military end items and capacity to produce them) is stronger now than ever before in peacetime. Facilities actively producing matériel (except nuclear materials) have declined in number in FY 1954 and, under current plans, will continue to decline in number through FY 1957. Through 1957 there will be further accretions to our reserves of completed military end items. [Obsolescence of reserves is a factor for consideration. The U.S. matériel mobilization potential will under current plans be weaker in FY 1956.] *

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[6] Contrary to Lay's expectation, the statement of policy was not discussed by the NSC prior to Defense Secretary Wilson's memorandum on the subject, dated Oct. 25 and discussed in footnote 4, p. 759. The subject was discussed at the 219th meeting of the NSC on Oct. 26; for the memorandum of discussion, see p. 762.

*ODM proposes inclusion; Defense and Budget deletion. [Footnote and brackets in the source text.]

Defense-Budget	*ODM*
29. The facilities that will remain in production through FY 1957, even though at reduced production rates, will be those for the most critical, hard to make, long lead time items, the producers of which will have demonstrated a proven capability to produce. While stocks of such items may be less than full mobilization reserves, the active production status of such items will provide a strong industrial mobilization base.	29. Presently projected production of military hard goods (excepting nuclear components) will not provide adequate capacity to produce newer weapons to replace those which have become obsolete.

30. Preliminary estimates indicate that developing programs will provide a military hard-goods production base, in mid-1957, at an annual delivery rate of about $15 billion,[†] of which over half would be aircraft (exclusive of aircraft electronics and armament) and associated aircraft spares and production equipment. This compares with actual deliveries of $6 billion in FY 1951; $17 billion in FY 1952; $25.5 billion in FY 1953; $24 billion in FY 1954; and $18 billion (estimated) in FY 1955.

31. a. From total actual deliveries of $24 billion in FY 1954, it has been estimated that, if war had commenced at the end of that year, total hard goods deliveries in the first year of the war (with no reduction for bomb damage) would have been $55 billion.

b. From an annual rate of deliveries of $16.8 billion in the last quarter of FY 1955 it has been estimated that, should war commence at the end of the year, total hard goods deliveries in the first year of the war (with no reduction for bomb damage) would be $44 billion.

c. From an annual rate of deliveries of $15 billion in the last quarter of FY 1957, it has been estimated that, should war commence at the end of that year, total hard goods deliveries in the first year of the war (with no reduction for bomb damage) would be $41 billion.

[†] It is important to distinguish this estimate of total continental U.S. military hard goods production from any estimates for the major functional budget Category III "Procurement and Production". This total hard goods estimate includes spare parts and equipment for maintenance and operation, organizational equipment, and MDAP (other than off-shore), which the budget category does not. [Footnote in the source text.]

Defense–Budget	*ODM*
d. This decline in capacity has been designed to take place as the necessary reserves and slowly obsolescing weapons have been built up.	d. The difference in the annual delivery rate between $41 billion in FY 1957 and $55 billion in FY 1954 is premised on a planned decline in capacity, after making full allowance for acceleration thereof in wartime. This decline is not at present being offset adequately by a building up of capacity for new weapons.

32. In determining whether or not the mobilization potential in FY 1957 will be adequate, the following must be taken into account:

a. The hard goods output figures set forth above assume maximum acceleration in program categories, without regard to the probable required acceleration for each item.

b. The mobilization base for production of military hard goods is spotty. Large deficiencies exist in U.S. capacity to produce important components.

c. The availability of existing capacity does not make allowance for damage by enemy action for which the USSR has a rapidly growing capability. 63% of the general industrial capacity of the U.S. is located in 53 metropolitan target areas. The forthcoming net capabilities evaluation study will provide guidance as to this factor.

33. Even if the above estimates of wartime output of hard goods are accurate, it is not now known whether such output would be adequate to provide logistic support of our own forces and our essential allies. Current U.S. logistic planning is handicapped by lack of agreed wartime requirements. Such planning is now based on unilateral Service estimates. Mobilization plans do not include provision for the logistic support of essential allies which may be determined to be necessary. At present the known production capacity, plus existing stocks, of such allies is generally inadequate to support their requirements. Until wartime requirements of U.S. logistic support for our allies can be determined and combined with more adequate estimates of U.S. requirements, it will not be known whether the U.S. mobilization base can provide necessary logistic support in the event of war.

34. The United States should maintain its mobilization potential generally within the framework of the policy stated in pars. 34 and 40 of NSC 162/2 and in line with the general considerations stated in pars. 9 and 10 thereof. Effective implementation of this policy is dependent upon early completion of wartime plans and the deter-

mination and testing of logistic requirements based thereon; and the determination of allied wartime requirements, so that the magnitude and composition of the probable demand on U.S. resources can be identified.

Defense–Budget

The implementation of such policy should be related, subject to Presidential decisions on the Budget, to increases in Soviet net capabilities and to the specific factors mentioned above.

ODM

Furthermore, in the implementation of such policy, the United States, in recognition of the need for increased expenditures, to adjust to known increases in Soviet net capabilities, should, subject to Presidential decisions on the budget:

a. Accelerate measures for dispersal to safer areas of important production capacity and, where that is infeasible, provide (1) alternative production sources in safer areas or (2) increase the mobilization reserve of the product by a quantity measured by the time required to reconstruct the vulnerable facility.

b. Increase above presently-planned levels mobilization reserves of the most important military end items.

c. Detect, and remedy, such gaps as exist in the mobilization base, taking into account probable damage to productive capacity from enemy action.

d. Accelerate measures to maintain, in a condition which will permit rapid reactivation or reconversion to war output, the greatly increased capacity in plant, machine tools, and production equipment built up since Korea.

e. Undertake on an urgent basis studies to determine whether current military hard goods production ("hot lines") can be maintained at a level which will meet the full-phased post M-Day requirements minus (1) post M-Day production capabilities (obtainable through conversion or reactivation) and (2) mobilization reserves.

S/P-NSC files, lot 61 D 167, "Review of Basic Natl Sec Policy, Sept-Dec, 1954"

Memorandum by John C. Campbell of the Policy Planning Staff to the Director of the Policy Planning Staff (Bowie)

TOP SECRET WASHINGTON, October 6, 1954.

Subject: Planning Board Meeting on Review of Basic National Security Policy

Last week in the Planning Board we went over the first half of the NSC Staff's compilation of paragraphs on basic national security policy, [1] and the Board Assistants have recently gone through the rest of it. I bring the following points to your attention:

1. In general the document copies textually paragraphs from 162/2 [2] and subsequent papers and is therefore an accurate state-

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[1] On Sept. 22 NSC Executive Secretary James S. Lay, Jr., circulated to members of the National Security Council Planning Board a summary statement of existing basic national security policy which represented a compendium of conclusions culled and subsequently weaved together from previous NSC reports. In a covering memorandum of transmittal, Lay noted that the summary statement was being sent to the Planning Board for initial review and when agreement had been reached by the Board an agreed draft statement would then be circulated to the NSC in advance of its Oct. 21 meeting, where Cutler would summarize the principal elements of existing basic national security policy and request Council members to submit changes as they thought necessary to the NSC at the Nov. 18 meeting. A copy of Lay's memorandum is in S/P-NSC files, lot 61 D 167, "Review of Basic Natl Sec Policy, Sept-Dec, 1954".

On Oct. 5, Lay circulated to the Planning Board a "revised summary statement of existing basic national security policy, prepared by the Board Assistants in light of Planning Board consideration of the September 22 draft." The revised summary statement, like its predecessor a compendium of existing policy statements, was scheduled for final review at the Planning Board meeting on Oct. 8. The revised summary statement was the subject of a number of memoranda in early October in anticipation of the Oct. 21 discussion in the National Security Council. The first of these memoranda was that by Campbell to Bowie. A copy of Lay's memorandum of Oct. 5 transmitting the revised summary statement of existing basic national security policy is in S/P-NSC files, lot 61 D 167, "Review of Basic Natl Sec Policy, Sept-Dec, 1954".

[2] Dated Oct. 30, 1953, p. 577.

ment of policy as established by those papers. In some cases the various documents say roughly the same thing in different words, and choices have been made between such versions; in no case does there appear to be an omission of important statements of policy or a distortion through choice of one text over another.

2. Paragraph 45 of 162/2 has been included as a "basic problem" at the beginning of the paper along with the two classic basic problems enshrined in 162/2. We saw no objection to this; in fact it struck us as a good idea.

3. Mr. Cutler was not satisfied with paragraph 7, which is a staff redraft of paragraph 13 of 162/2. He apparently wished to see a clear policy statement as to what the U.S. should do in case of attack on various specified countries. He also wished the paragraph brought up-to-date in view of the extension of our commitments through the Manila Treaty. I think we should resist any proposal to put down on paper specifically where we would fight and where we would not in case of attack. I have some recollection that it was in order to avoid doing this that the paragraph in 162/2 was given the form it has and was included among the general considerations, as stating a situation, rather than among the policy conclusions. Moreover very great difficulties are involved in attempting to make definitive lists of countries, indicating those instances where we would ultimately engage in general war, probably would do so, would only engage in limited war, etc., nor would it be possible to make sharp distinctions between our obligations to fight under the various formulas contained in our NATO, Manila and other treaty obligations. Would it not be best, on all counts, to retain the paragraph more or less as it was in 162/2; with certain minor changes for clarification which appear in the attached redraft?

4. In paragraph 10 the first sentence is taken from paragraph 39 (b) of 162/2. It was agreed that some addition will have to be made in order to take account of the subsequent decision of the President. Mr. Lay's suggested wording that the President shall determine how nuclear weapons shall be used does not seem adequate. The following is suggested: "The actual decision for such use will be made at the time by the President (Presidential memorandum of January 4, 1954)".

5. The last sentence of paragraph 39, taken from 5422/2, [3] emphasizes the progressive reduction of economic assistance. This paragraph of the guidelines, so far as I know, was not intended to supplant paragraph 36 (e) of 162/2, which states merely that eco-

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[3] Dated Aug. 7, p. 715.

nomic aid should be based on the best interests of the U.S. It would be a good idea to include this thought in the composite paper.

6. You may wish to take up privately with General Cutler the idea that a general Council discussion of basic policy before the various agencies have submitted their specific proposals would not be useful and that it would be better for the Council merely to take note of the agreed statement of existing policy and request the agencies to submit proposals for its revision.

S/S–NSC (Miscellaneous) files, lot 66 D 95, "Misc. NSC Memos"

Memorandum to the National Security Council by the Executive Secretary (Lay) [1]

TOP SECRET WASHINGTON, October 11, 1954.

Subject: Summary Statement of Existing Basic National Security Policy

References:

A. NSC 162/2
B. NSC 5422/2
C. NSC 5429/2
D. NSC 5428
E. NSC 5432/1
F. NSC 5433/1
G. NSC 166/1 [2]

The enclosed working paper on the subject, prepared by the NSC Planning Board, is transmitted herewith for the use of the National Security Council in connection with its review of basic national security policy. The enclosure is not to be used as an authoritative restatement of basic national security policy.

At the Council meeting of October 21, 1954, [3] General Cutler will summarize the principal elements of existing Basic National Secu-

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[1] Copies to the Secretary of the Treasury; the Attorney General; the Directors of the Bureau of the Budget and of Central Intelligence; the Chairmen of the Atomic Energy Commission, the Council of Economic Advisers, and the Joint Chiefs of Staff; and the Federal Civil Defense Administrator. A typed notation on the source text of this memorandum indicates that it reflects changes made on Oct. 20, 1954.

[2] For text of NSC 162/2, Oct. 30, 1953, see p. 577. For text of NSC 5429/2, "Review of U.S. Policy in the Far East," Aug. 20, 1954, see vol. XII, Part 1, p. 769. NSC 5428, "U.S. Objectives and Policies With Respect to the Near East," July 23, 1954, is printed in volume IX. For text of NSC 5432/1, "U.S. Objectives and Courses of Action With Respect to Latin America," Sept. 3, 1954, see vol. IV, p. 81. For text of NSC 5433/1, "Immediate U.S. Policy Toward Europe," Sept. 25, 1954, see vol. V, Part 2, p. 1268. For text of NSC 166/1, "U.S. Policy Toward Communist China," Nov. 6, 1953, see volume XIV.

[3] At its 218th meeting on Oct. 22, the National Security Council in Action No. 1251 "Noted an oral presentation by Mr. Cutler on the geographic coverage of exist-

Continued

rity Policy and request the Council Members to submit for consideration at the Council Meeting on November 18, 1954, statements of such changes as each thinks should be made in the existing basic policy. Such statements should be made available for information in advance of the Council meeting through the Planning Board.

It will be noted that the Net Capabilities Evaluation Report will be presented at the Council Meeting on November 9, 1954. In presenting suggested changes in existing basic policy, each Council Member will also have available certain studies made pursuant to the last section of the paper on European policy (NSC 5433/1), discussed at the Council Meeting on September 24, 1954 and the report of the Secretary of State relating thereto made not later than October 28, 1954. The report by the Secretary of State on policy toward Communist China in Part I of NSC 5429/2 will also have been considered by the Council in October.

Statements of changes proposed by Council Members at the meeting on November 18 should be in non-technical language, so that the point of each suggested change can be readily grasped and discussed by the Council, with a view to providing guidance as to whether the change is acceptable.

After the Council on November 18 has provided guidance as to the changes which should be made in existing basic policy, it will be the responsibility of the Planning Board to redraft the statement of policy so as to incorporate such changes and to submit the policy statement for final consideration by the Council on December 9.

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ing national security policies, the principal elements of existing basic national security policy, and the procedure for reviewing such basic policy." The Council then "Noted that each Council member and adviser would submit, for consideration at the Council meeting on November 18, 1954, statements in non-technical language of such changes as each thinks should be made in the existing basic policy; such statements to be made available for information in advance of that Council meeting through the NSC Planning Board." The President approved this action and it was transmitted to members of the Council for implementation. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

Even before the Council action of Oct. 22, the Department of State's Policy Planning Staff had submitted draft comments on the Summary Statement of Existing Basic National Security Policy printed below. Copies of draft papers by S/P, the Office of Defense Mobilization, and the Department of Defense drawn up between Oct. 12 and Nov. 10 are in S/P-NSC files, lot 61 D 167, "Review of Basic National Security Policy, Sept-Nov, 1954" and "S/P Meetings", and in PPS files, lot 65 D 101, "Review of Basic National Security Policy, NSC 162-5422". The earliest statement submitted to Lay for transmission to the NSC was that of the Foreign Operations Administration, dated Nov. 9, p. 770. Thereafter, the remaining agencies submitted their statements, but too late for Council discussion on Nov. 18. Accordingly Council consideration of the various agency statements, all of which are printed below, was deferred to the 225th meeting on Nov. 24; for the memorandum of discussion, see p. 787.

The President has not yet determined whether at some time a panel of outside Consultants may be called in to review the revised basic policy statement mentioned above.

JAMES S. LAY, JR.

[Here follows a one-page table of contents.]

[Enclosure]

Working Paper Prepared by the National Security Council Planning Board

TOP SECRET [WASHINGTON, undated.]

SUMMARY STATEMENT OF EXISTING BASIC NATIONAL SECURITY POLICY

(Based on NSC 162/2, as modified by subsequent policy statements; the source of each statement is indicated in parentheses following it.)

BASIC PROBLEMS OF NATIONAL SECURITY POLICY

1. To meet the Soviet threat to U.S. security (paras. 1 and 31, 162/ 2), and to improve the power position of the United States and the rest of the free world in relation to the Soviet bloc. (paras. 1-a, 31-a and 42-a, NSC 162/2)

2. In meeting the Soviet threat, to avoid seriously weakening the U.S. economy or undermining our fundamental values and institutions. (paras. 1-b and 31-b, NSC 162/2)

3. With our allies, to create and sustain the hope and confidence of the free world in the ability of its basic ideas and institutions not merely to oppose the communist threat, but to provide a way of life superior to Communism. (para. 45, NSC 162/2)

POLICY CONCLUSIONS*

I. DEFENSE AGAINST SOVIET POWER AND ACTION

4. The United States, prior to the achievement of mutual atomic plenty, should create conditions under which the United States and the free world coalition would be prepared to meet the Soviet-Communist threat with resolution and to negotiate for its alleviation under proper safeguards. (para. 45, NSC 162/2 and para. 16, NSC 5422/2)

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*Final determination on all budget requests for programs covered by this policy will be made by the President after normal budgetary review. [Footnote in the source text.]

A. *National Security Programs to Meet the Soviet Threat*

5. In the face of Soviet threats to U.S. security, the United States must develop and maintain, at the lowest feasible cost, requisite military and non-military strength to deter and, if necessary, to counter Soviet military aggression against the United States or other areas vital to its security. (para. 34, NSC 162/2)

a. The United States should minimize the risk of Soviet aggression by maintaining a strong security posture, with emphasis on adequate offensive retaliatory strength and defensive strength. This must be based on massive atomic capability, including necessary bases; an integrated and effective continental defense system; ready forces of the United States and its allies suitably deployed and adequate to deter or initially to counter aggression, and to discharge required initial tasks in the event of a general war; and a mobilization base adequate to insure victory in the event of general war; all supported by the determined spirit of the U.S. people. (para. 34-a and 9, NSC 162/2)

b. In particular, pursuant to a above, to ensure Soviet fear that strategic nuclear attacks upon the U.S. would be followed by the nuclear devastation of the USSR and the destruction of the Soviet regime, the U.S. should:

(1) Maintain the striking forces necessary for such retaliation.

(2) Take all practicable measures to protect this retaliatory capacity against any foreseeable Soviet attack. (para. 6, NSC 5422/2)

c. The United States should also accelerate its military and non-military programs for continental defense set forth in NSC 5408[4] to the fullest extent deemed feasible and operationally desirable and give to these programs very high priority, having in mind that it is estimated the Soviets will reach a high capability for strategic nuclear attacks by July 1957. (para. 7, NSC 5422/2)

d. There must be continuing examination and periodic report to the National Security Council in regard to the likelihood of neutralization of U.S. retaliatory capability by a surprise Soviet attack. (para. 46, NSC 162/2)

6. In support of the strong security posture referred to in subparagraph 5-a above, the United States should also

a. Develop and maintain an intelligence system capable of:

(1) Collecting and analyzing indications of hostile intentions that would give maximum prior warning of possible aggression or subversion in any area of the world.

(2) Accurately evaluating the capabilities of foreign countries, friendly and neutral as well as enemy, to undertake mili-

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[4] Dated Feb. 11, p. 609.

tary, political, economic, and subversive courses of action affecting U.S. security.

(3) Forecasting potential foreign developments having a bearing on U.S. national security. (para. 10–a, NSC 162/2)

†b. Develop an adequate manpower program designed to:

(1) Expand scientific and technical training.

(2) Provide an equitable military training system.

(3) Strike a feasible balance between the needs of an expanding peacetime economy and defense requirements.

(4) Provide for an appropriate distribution of services and skills in the event of national emergency. (para. 10–b, NSC 162/2)

c. Conduct and foster scientific research and development so as to insure superiority in quantity and quality of weapons systems, with attendant continuing review of the level and composition of forces and of the industrial base required for adequate defense and for successful prosecution of general war. (para. 10–c, NSC 162/2)

‡d. Continue, for as long as necessary, a state of limited defense mobilization to develop military readiness by:

(1) Developing and maintaining production plant capacity, dispersed with a view to minimizing destruction by enemy attack and capable of rapid expansion or prompt conversion to essential wartime output. (para. 10–d (1), NSC 162/2)

(2) Creating and maintaining minimum essential reserve stocks of selected end-items, so located as to support promptly and effectively the war effort in areas of probable commitment until war production and shipping capacity reaches the required wartime levels. (par. 10–d (2), NSC 162/2)

(3) Maintaining stockpiling programs, and providing additional production facilities, for those materials the shortage of which would affect critically essential defense programs; meanwhile reducing the rates of other stockpile materials. (para. 10–d (3), NSC 162/2) The stockpiling program should not normally be used to help stabilize international markets for the exports

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† A proposed policy on manpower mobilization is being prepared by ODM and will be submitted for Council consideration in the near future. Decisions on a military manpower program will be made on the basis of the report on "Reserve Mobilization Requirements" (NSC 5420/2) prepared by Defense and ODM pursuant to NSC Action No. 1188–b. [Footnote in the source text. A copy of NSC 5420/2, not printed, is in S/S–NSC files, lot 63 D 351, NSC 5420 Series, along with NSC 5420/3, Nov. 17, 1954, which was the approved paper in this series. NSC Action No. 1188–b, taken at the 208th meeting of the NSC, July 29, "Agreed that the Department of Defense and the Office of Defense Mobilization should develop a specific program, including cost estimates, along the lines proposed in NSC 5420 and NSC 5420/1, for submission to the Council not later than September 15, 1954, after consultation as appropriate with Congressional leaders and other interested groups." (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action, 1954")]

‡This subparagraph will be reviewed and revised on the basis of Council action on the revision of Section III of NSC 5422/1 "Guidelines for Mobilization" (Memo for NSC, dated October 5, 1954). [Footnote in the source text. For the Oct. 5 memorandum, see p. 731.]

of underdeveloped countries in order to enhance their foreign exchange position and assist in their internal development. Exceptions should be made in instances where, after appraisal on a case-by-case basis it is determined that there would be a clear advantage in terms of over-all U.S. interests. (para. 26, NSC 5422/2)

e. Provide reasonable internal security against covert attack, sabotage, subversion, and espionage, particularly against the clandestine introduction and detonation of atomic weapons. (para. 10–e, NSC 162/2)

B. *Action to Counter Actual and Potential Communist Aggression and Subversion*

7. a. Under existing treaties or policies an armed attack from the Communist bloc on the NATO area, Western Germany, Berlin, the American republics, Japan, the Republic of Korea, Formosa and the Pescadores, Australia, New Zealand, Philippines, [Pakistan, Thailand, Malaya, Cambodia, Laos or free Vietnam] § would, in accordance with constitutional processes, involve the United States in war with the USSR, or in the case of Asiatic countries at least with Communist China or the Communist satellite committing the aggression.

b. Certain other areas are of such strategic importance to the United States that an armed attack on them probably would compel the United States to react with military force either locally at the point of attack or generally against the military power of the aggressor.

c. The United States should uphold the principle of collective security through the United Nations even in areas not of vital strategic importance. (para. 13–a and b, 162/2 NSC Action No. 1148)[5]

8. The United States should be prepared to prevent, with the use of U.S. forces if necessary and feasible, further territorial expansion elsewhere by the Chinese Communists.|| (para. 5–b, NSC 166/1)

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§ These countries are covered by the Southeast Asia Collective Defense Treaty, which is subject to ratification. [Footnote and brackets in the source text. For documentation on the Southeast Asia Collective Defense Treaty, see vol. XII, Part 1, pp. 1 ff.]

[5] The text of NSC Action No. 1148, entitled "U.S. Policy in the Event of Overt Unprovoked Military Aggression by Communist China" is included in the extract of the memorandum of discussion at the 200th meeting of the NSC, June 3, 1954, *ibid.*, p. 532.

|| Para. 1, Part I, of NSC 5429/2 will receive further consideration by the Council in the light of a review by the Secretary of State and, if adopted, will supersede para. 8 above. Para. 1–a of NSC 5429/2 reads as follows:

1. Reduce the power of Communist China in Asia even at the risk of, but without deliberately provoking, war:

a. (1) React with force, if necessary and advantageous, to expansion and subversion recognizable as such, supported and supplied by Communist China.

(2) React with immediate, positive, armed force against any belligerent move by Communist China. [Footnote in the source text.]

9. In specific situations where a warning appears desirable and feasible as an added deterrent, the United States should make clear to the USSR and Communist China, in general terms or with reference to specific areas as the situation requires, its intention to react with military force against any aggression by Soviet bloc armed forces. (para. 39-a, NSC 162/2)

10. In the event of hostilities, the United States will consider nuclear weapons to be as available for use as other munitions. (para. 39-b (1), NSC 162/2) This policy is subject to the interpretation stated in a memorandum dated January 4, 1954. Planning should be on the assumption that, if general war should occur, the United States will wage it with all available weapons. (para. 9, NSC 5422/2)

11. The United States should seek, as and when feasible, the understanding and approval of this policy by free nations. (para. 39-b (1), NSC 162/2) Where the consent of an ally is required for the use of these weapons from U.S. bases on the territory of such ally, the United States should promptly obtain the advance consent of such ally for such use. (para. 39-b (1), NSC 162/2)

12. The U.S. should, while exerting continued efforts to strengthen collective defense arrangements, including the ability to use such bases for nuclear attack in the collective defense of the free world, also increase emphasis on developing self-sufficiency for the conduct of offensive operations exploiting the use of nuclear weapons, consistent with sound military concepts. (para. 10, NSC 5422/2)

13. To permit appropriate flexibility in the capability of deterring or defeating local aggressions, the U.S. should be prepared to defeat such aggressions without necessarily initiating general war. For this purpose the U.S. should be prepared to assist, with U.S. logistical support and if necessary with mobile U.S. forces, indigenous forces supplemented by available support from other nations acting under UN or regional commitments. However, the U.S. must be determined to take, unilaterally if necessary, whatever additional action its security requires, even to the extent of general war, and the Communists must be convinced of this determination. (para. 12, NSC 5422/2)

14. The threat of piecemeal Communist conquest through subversion, indirect aggression, and the instigation or exploitation of civil wars in free world countries, which is an immediate and most serious threat to the free world, should be met, not primarily by military means, but by a flexible combination of political, psychological, economic and military actions. In view of the loss of Northern Vietnam, the U.S. cannot passively accept further significant extension of Communist control. It must act, both in relation to the Communist powers and to the peoples of threatened areas, so as to

prevent such extension of control. In particular, the U.S. should: (para. 13, NSC 5422/2)

a. Seek more than military solutions to the varied aspects of the Soviet-Communist threat, and create an understanding in the free world that such is the U.S. objective. (para. 13-a, NSC 5422/2)

b. Make increased efforts to develop and carry out cooperative programs, not necessarily overtly anti-communist, designed to advance the political and economic strength of underdeveloped areas, along lines indicated in Section IV-C below. (para. 13-b, NSC 5422/2)

c. Take all feasible political, economic and covert measures to counter the threat of groups or forces responsive to Communist control to achieve dominant power in a free world country. (para. 13-c, NSC 5422/2) and para. 43-b, NSC 162/2)

d. Provide military aid and training and defense support to threatened areas where such aid can effectively contribute to internal stability or the creation of strength in regional areas. (para. 13-d, NSC 5422/2)

e. In instances of civil war, be prepared, with maximum free world support, to take military action in support of friendly free world governments or forces fighting against elements under Communist control; the decision whether to take such action being made in the light of all the circumstances existing at the time. (para. 13-e, NSC 5422/2)

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15. Present and planned implementation of national security programs should continue to be guided by paragraphs 34 and 40 of NSC 162/2 in the light of paragraphs 9 and 10 of the "General Considerations" thereof; recognizing that increased efforts in certain programs, involving increased expenditures, should be made as required to support national security policies and to meet anticipated increases in Soviet-Communist capabilities. (para. 14, NSC 5422/2)

II. DEFENSE AGAINST THE THREAT TO THE U.S. ECONOMY AND INSTITUTIONS

6. a. In the interest of both the United States and its allies, the United States should insure that the support of defense expenditures does not seriously impair the basic soundness of the U.S. economy by undermining incentives or by inflation. (para. 40, NSC 162/2)

b. The United States must, however, meet the necessary costs of the policies essential for its security. The actual level of such costs should be kept to the minimum consistent with the carrying out of these policies. (para. 40, NSC 162/2)

c. Barring basic change in the world situation, the Federal Government should continue to make a determined effort to bring its total annual expenditures into balance, or into substantial balance with its total annual revenues and should maintain over-all credit and fiscal policies designed to assist in stabilizing the economy. (para. 40, NSC 162/2)

d. Every effort should be made to eliminate waste, duplication, and unnecessary overhead in the Federal Government, and to minimize Federal expenditures for programs that are not essential to the national security. (para. 40, NSC 162/2)

e. The United States should seek to maintain a higher and expanding rate of economic activity at relatively stable price levels. (para. 40, NSC 162/2)

f. The economic potential of private enterprise should be maximized by minimizing governmental controls and regulations, and by encouraging private enterprise to develop natural and technological resources (e.g. nuclear power). (para. 40, NSC 162/2)

17. The American people must be informed of the nature of the Soviet-Communist threat, in particular the danger inherent in the increasing Soviet atomic capability; of the basic community of interest among the nations of the free world; and of the need for mobilizing the spiritual and material resources necessary to meet the Soviet threat. (para. 30, NSC 162/2)

18. To support the necessarily heavy burdens for national security, the morale of the citizens of the United States must be based both on responsibility and freedom for the individual. The dangers from Soviet subversion and espionage require strong and effective security measures. Eternal vigilance, however, is needed in their exercise to prevent the intimidation of free criticism. It is essential that necessary measures of protection should not be so used as to destroy the national unity based on freedom, not on fear. (para. 41, NSC 162/2)

III. REDUCTION OF THE SOVIET THREAT

A. *Action to Reduce Soviet Power*

19. The policy of the United States is to prevent Soviet aggression and continuing domination of other nations, and to establish an effective control of armaments under proper safeguards; but is not to dictate the internal political and economic organization of the USSR.¶ (para. 42–d, NSC 162/2)

20. Although the time for a significant rollback of Soviet power may appear to be in the future, the U.S. should be prepared, by feasible current actions or future planning, to take advantage of any earlier opportunity to contract Communist-controlled areas and power. (para. 20, NSC 5422/2)

¶This paragraph does not establish policy guidance for our propaganda or informational activities. [Footnote in the source text.]

21. As a means of reducing Soviet capabilities for extending control and influence in the free world, the United States should, in addition to the measures mentioned in paragraph 14 above:

a. Take overt and covert measures to discredit Soviet prestige and ideology as effective instruments of Soviet power, and to reduce the strength of communist parties and other pro-Soviet elements.

b. Undertake selective, positive actions to eliminate Soviet-Communist control over any areas of the free world. (para. 43-a and c, NSC 162/2)

22. a. Measures to impose pressures on the Soviet bloc should take into account the desirability of creating conditions which will induce the Soviet leadership to be more receptive to acceptable negotiated settlements.

b. Accordingly, the United States should take feasible political, economic, propaganda and covert measures designed to create and exploit troublesome problems for the USSR, impair Soviet relations with Communist China, complicate control in the satellites, and retard the growth of the military and economic potential of the Soviet bloc. (para. 44, NSC 162/2)

B. Negotiations

23. The United States must keep open the possibility of negotiating with the USSR and Communist China acceptable and enforceable agreements, compatible with basic U.S. security interests, whether limited to individual issues now outstanding or involving a general settlement of major issues, including control of armaments. Moreover, to maintain the continued support of its allies, the United States must seek to convince them of its desire to reach such settlements. But, in doing so, we must not allow the possibility of such settlements to delay or reduce efforts to develop and maintain adequate free world strength, and thus enable the Soviets to increase their relative strength. (paras. 42-b and 14-a, NSC 162/2)

24. Despite serious question whether any safe and enforceable system can be achieved in the foreseeable future, the U.S. should nevertheless continue to explore fully the possibility of reaching a practicable arrangement for the limitation of armaments with the USSR. The U.S. should therefore continue to reexamine its position on disarmament, especially (a) whether a promising climate for effective disarmament negotiations can be developed, (b) whether a system of safeguards can be devised entailing less risk for U.S. security than no limitation of armaments, and (c) whether, if a safe and enforceable system for assuring effective nuclear disarmament, which might be acceptable to the USSR, can be devised, the U.S.

would be willing to accept it in the absence of conventional disarmament. Meanwhile, the United States should continue to refuse to accept nuclear disarmament except as part of general disarmament. (para. 8, NSC 5422/2)

IV. MAINTENANCE OF THE COHESION OF THE FREE WORLD

A. *Relations with Allies and Uncommitted Countries: General Policy*

25. Major allies will continue to be essential to the U.S. to prevent the loss of major free areas to Communist control and the gradual isolation of the U.S. However, increasing elements of division and weakness in free world alliances may make it difficult to take decisive collective action to halt further Soviet expansion, particularly in Asia. (para. 15, NSC 5422/2)

26. In these circumstances, the U.S. should take action as practicable:

a. (1) To overcome the following divisive factors: increasing fear of the effects of nuclear weapons, differing estimates of the nature and imminence of the Communist threat, distrust of U.S. national purposes and leadership, political instability and economic weakness of some of our allies, conflicts regarding trade policy and economic integration, historic hostility between certain of the allies, and differing approaches to "colonial" problems. (para. 16-a, NSC 5422/2; para. 5-b, Appendix A to NSC 5422/2, attached as Annex A)

(2) To strengthen the cohesion of the alliances under U.S. leadership. (para. 16-a, NSC 5422/2)

b. To convince its allies (1) that U.S. policies and actions take due account of their security as well as its own and that the U.S. and its allies will be able to meet the threat of aggression even in case of nuclear balance; and (2) that U.S. strategy, including the use of atomic weapons, is conceived and will be implemented for the purpose of mutual security and defense against the Soviet threat. (para. 16-b, NSC 5422/2 and para. 12-c, NSC 162/2)

c. To continue to seek to develop a strong feeling of a community of interest in the alliance and firm confidence in the steadiness and wisdom of U.S. leadership. (para. 36-a, NSC 162/2)

d. To continue to emphasize cooperative efforts, including equitable contributions by its allies, in building the military, economic and political strength of the coalition and stability of the free world. (para. 36-b, NSC 162/2)

e. To seek to persuade its allies of the necessity to halt further significant Communist expansion, direct or indirect. (para. 16-c, NSC 5422/2)

27. Our diplomacy must concentrate upon clarifying to our allies in parts of the world not gripped by war conditions that the best defense of the free world rests upon a deployment of U.S. forces which permits initiative, flexibility and support; upon our political

commitment to strike back hard directly against any aggressor who attacks such allies; and upon such allies' own indigenous security efforts. (para. 38-c, 162/2) Under present policies, however, no major withdrawal of U.S. forces from Europe is contemplated. (para. 38-b, NSC 162/2 and para. 8 of NSC 5433/1)

28. The U.S. should attempt to gain maximum support from the free world, both allies and uncommitted countries, for the collective measures necessary to prevent Communist expansion. As a broad rule of conduct, the U.S. should pursue its objectives in such ways and by such means, including appropriate pressures, persuasion, and compromise, as will maintain the cohesion of the alliances. The U.S. should, however, act independently of its major allies when the advantage of achieving U.S. objectives by such action clearly outweighs the danger of lasting damage to its alliances. In this connection, consideration should be given to the likelihood that the initiation of action by the U.S. prior to allied acceptance may bring about subsequent allied support. Allied reluctance to act should not inhibit the U.S. from taking action, including the use of nuclear weapons, to prevent Communist territorial gains when such action is clearly necessary to U.S. security. (para. 21, NSC 5422/2)

29. With respect to those uncommitted or underdeveloped areas of the free world which are the most likely targets for Communist expansion, particularly in Asia, the U.S. should:

a. Undertake a new initiative designed to improve the political and economic stability of those nations, to enhance their will and ability to maintain their independence against Communist pressures and possible aggression, and to counter the influences exercised by the Communist powers. (para. 22, NSC 5422/2)

b. Seek their cooperation on a basis of mutual self-respect without attempting to make active allies of those not so inclined, and refrain, so far as feasible, from taking or supporting actions which run counter to the forces of anti-colonialism and legitimate nationalism. (para. 22, NSC 5422/2)

c. Adopt constructive policies, not related solely to anti-communism, to persuade these countries that their best interests lie in greater cooperation and stronger affiliations with the rest of the free world. (para. 36-c, NSC 162/2)

B. *Allies and Uncommitted Countries: Policies Toward Particular Areas*

30. *Europe.* Despite French rejection of EDC, the security of the U.S. continues to require the preservation and development of Western Europe (including the UK) as an area of strength allied to the U.S. Accordingly, the U.S. should continue to pursue the following objectives:

a. In the cold war, to prevent further extension of Soviet control in Europe and to retain the major Western European nations as allies. (para. 3, NSC 5433/1)

b. To seek the strengthening of NATO in a manner which places primary emphasis on its deterrent effect, with due regard for political and economic capabilities and for psychological factors. For this purpose we should seek the full exploitation of developing nuclear capabilities and a generally understood and accepted strategy for forward defense of the NATO area. (para. 7, NSC 5433/1)

c. To build the requisite strength and stability in Western Europe on the basis of (1) the combined efforts of the principal nations there and (2) steady progress toward integration on the continent. (para. 3, NSC 5433/1)

d. To assure the orientation of the German Federal Republic (and ultimately a united Germany) to the West by all feasible means, including institutional ties as well as treaty arrangements. (para. 3, NSC 5433/1)

31. In particular, the United States should:

a. Seek promptly to associate the German Federal Republic with the West by: (1) restoration to the German Federal Republic of its sovereignty, including the right to participate in the defense of Western Europe, without restrictions unacceptable to the Germans as discriminatory or arbitrarily imposed; (2) admission of the German Federal Republic to full membership in NATO, without precluding German participation also in the Brussels Pact or other European defense arrangements; (3) obtaining acceptable safeguards as to German rearmament; and (4) continuing to seek eventual German reunification on the basis of freedom and the maximum possibility of association with the West. (para. 4, NSC 5433/1)

b. Foster all practical measures for a greater degree of integration of Western Europe, emphasizing political and economic aspects at this stage, and encouraging European initiative and responsibility so far as consistent with U.S. objectives. Specifically, encourage closer ties between France and Germany and the greatest feasible degree of UK association with its continental allies. (para. 6, NSC 5433/1)

32. *Asia.* In the absence of further Chinese Communist aggression as a basic change in the situation, the policy of the United States toward Communist China should currently be to seek, by means short of war, to reduce the relative power position of Communist China in Asia.** (para. 4, NSC 166/1) In view of the rela-

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**Para. 1, Part I, of NSC 5429/2 will receive further consideration by the Council in the light of a review by the Secretary of State, and, if adopted, will supersede NSC 166/1. Para. 1 of NSC 5429/2 reads in part as follows: Reduce the power of Communist China in Asia even at the risk of, but without deliberately provoking, war: . . . . Increase efforts to develop the political, economic and military strength of non-Communist Asian countries, including the progressive development of the military strength of Japan to the point where she can provide for her own national defense and, in time, contribute to the collective defense of the Far East. [Footnote in the source text.]

tive susceptibility of much of free Asia to the Communist tactic of creeping expansion the U.S. should devote greater efforts than heretofore to this region. The U.S. should exert its leadership in the Pacific toward the creation of a position of strength calculated to block Communist expansion in the Far East and Southeast Asia. (para. 18, NSC 5422/2)

33. The United States must maintain the security and increase the strength of the Pacific off-shore island chain (Japan, Ryukyus, Formosa, Philippines, Australia and New Zealand) as an element essential to U.S. security. (para. 2, NSC 5429/2)

34. The U.S. should protect its position and restore its prestige in the Far East by a new initiative in Southeast Asia, where the situation must be stabilized as soon as possible to prevent further losses to Communism through (1) creeping expansion and subversion, or (2) overt aggression. (para. 7, NSC 5429/2)

35. In its Pacific role, the United States should be less influenced by European allies than in respect to Atlantic affairs. (para. 18, NSC 5422/2)

36. *Other Areas: General.* The U.S. should direct its efforts in areas of the free world, other than Europe and Asia, on a selective basis aimed at influencing for the better situations potentially adverse to its important security interest. (para. 19, NSC 5422/2)

37. *The Near East.* With respect to the Near East, the United States should:

a. To increase the stability and strengthen the security of the area, encourage the development of indigenous regional defense arrangements based on the concept of the "northern tier." Be prepared eventually to participate in such arrangements, when the political climate in the area makes this practicable. (para. 13-h, NSC 5428)

b. Render limited military assistance. (para. 13-g, NSC 5428) Stimulate measures of self-help, encourage the expansion of private investment, and provide somewhat increased economic and technical assistance. (para. 13-f, NSC 5428)

c. Make every effort to deter an armed attack by Israel or the Arab States upon one another, to reduce current Arab-Israel tensions, and to promote an eventual clear-cut peace between the Arab States and Israel. (paras. 9-a and b, supplementary statement of policy in NSC 5428)

38. *Latin America.* Realizing the increasing importance of helping Latin America to reverse those trends which offer opportunities for Communist penetration, the U.S. should give greater emphasis than heretofore to its Latin American programs in order to safeguard and strengthen the security of the Hemisphere. (para. 3, NSC 5432/1)

C. *Economic Policies and Programs*

39. *Economic Development.* The U.S. should, as a major objective of its policy, help accelerate present rates of economic growth in the under-developed areas, particularly in South and Southeast Asia and parts of Latin America. Measures to assist and guide economic development should include continuing technical assistance, exchange programs, encouragement of U.S. private investment in these countries, and greater self-help on their part. With respect to important development programs which cannot be financed by local or foreign capital or U.S. private capital, the U.S. Government should assist countries where accelerated rates of growth are required for the attainment of U.S. objectives and where such assistance will be used effectively. Such assistance may be required on a larger scale than the present country programs. (para. 23, NSC 5422/2) While economic grant aid and loans by the United States to other nations of the free world should be based on the best interests of the United States (para. 36–e, NSC 162/2), the total level of U.S. economic assistance worldwide should be progressively reduced so far as is consistent with U.S. security objectives. (para. 23, NSC 5422/2)

40. *Regional Economic Action.* In addition to bilateral actions and existing multilateral institutions, the U.S. should encourage regional economic actions and groupings to promote increased trade, technical cooperation, and investment, and to concert sound development plans. (para. 24, NSC 5422/2) Specifically, the U.S. should encourage the prompt organization of an economic grouping by the maximum number of free Asian states, including Japan and as many of the Colombo Powers as possible, based on self-help and mutual aid, and the participation and support (including substantial financial assistance) of the U.S. and other appropriate Western countries through which, by united action, these free Asian states will be enabled more effectively to achieve the economic and social strength needed to maintain their independence. (para. 3, NSC 5429/2)

41. *Promotion of Freer Trade and Payments.* To enhance the capacity of free world nations for self-support and defense, and to reduce progressively their need for U.S. aid, the United States should assist in stimulating international trade, freer access to markets and raw materials, and the healthy growth of under-developed areas. (para. 36–d, NSC 162/2) Specifically, to lead the free world to the reduction of restrictions on trade and payments, the U.S. should:

a. Support sound moves toward convertibility, with appropriate action on related trade matters. (para. 25–a, NSC 5422/2)

b. Urge and bargain with other free world countries to reduce barriers to their imports. (para. 25–b, NSC 5422/2)

c. Support continued effective action in OEEC on intra-European and dollar trade and, prior to moves to convertibility, on intra-European payments. (para. 25–c, NSC 5422/2)

d. Apply the principles relative to U.S. imports contained in the President's March 30 message to Congress on the Randall Report. (para. 25–d, NSC 5422/2)

e. Take all feasible measures to increase the opportunities of free Asian countries for trade with each other and with other free world countries. (para. 4, NSC 5429/2)

D. *Military Assistance to Friendly Countries*

42. The United States should continue military assistance, including economic aid for military support, in accordance with current policies, taking account of the need for developing and maintaining the strength of foreign forces. The U.S. should also determine the extent to which the national interest requires that post D-day military aid requirements of our allies be included in national security programs. (para. 27, NSC 5422/2)

Annex A

(Appendix A, NSC 5422/2, dated August 7, 1954; the figures in the table on the following page have been revised as of October 5, 1954 in light of NIE 11–4–54 and NIE 11–6–54)[5]

ELEMENTS OF THE WORLD SITUATION AND OUTLOOK

The Soviet Threat Through Mid-1959 (NIE 11–5–54; NIE 13–54; and "Explanation of Table of Comparisons of Estimated Soviet Military Capabilities in Key Respects" in Annex 4 of NSC 5422.)[6]

1. *Status of the Soviet Bloc*

a. The internal stability of the Soviet Union and its control of the European satellites have not diminished and may be expected to remain intact through 1959.

b. However, the Soviet bloc is faced with internal problems such as popular discontent in the satellites, agricultural shortages and opposition to collectivization, rivalries within the collective leadership and serious defections from the secret services.

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[5] Extracts from NIE-11-4-54, "Soviet Capabilities and Probable Courses of Action Through Mid-1954", Sept. 14, 1954, are scheduled for publication in volume VIII. NIE-11-6-54, "Soviet Capabilities and Probable Programs in the Guided Missile Field" is not printed.

[6] Regarding NIE-11-5-54 and NIE-13-54, see footnote 5, p. 648. Annex 4 to NSC 5422 is printed on p. 676.

c. Communist China has gained prestige more rapidly than anticipated; its power will continue to increase. Despite potential conflicts of interest, the present close Sino-Soviet collaboration will persist.

2. *Soviet Bloc Military Capabilities*

Estimates of certain current and future Soviet military capabilities have been raised substantially since the adoption of NSC 162/2. Key examples are shown in the following table:

	Current		*Future*	
	'53 Estimates of '53 Situation	*'54 Estimates of '54 Situation*	*'53 Estimates of '57 Situation*	*'54 Estimates of '59 Situation*
Nuclear Weapons (Energy yield)				
Largest Weapon	500–1000 KT	1000 KT	500–1000 KT	10,1000 KT
Total Stockpile	6 MT	25 MT	25 MT	172 MT (tested technology) 860–4300 MT (possible technology)
Long Range Bombers				
Prop Medium (TU4)	1000	1270	1200	100*
Jet Medium ("39")	1 Prototype	40*	50 (mid '55)	200 (mid '55)* 1050 (mid '59)*
Jet Heavy ("37")	—	1 Prototype	—	250*
Surface-to-Surface Guided Missiles.				
450–500 mi (V2 type)	—	—	Future Obscure	Operational by '55*
Inter Continental ballistic	—	—	—	Possible in 1960*
Air Defense				
All weather fighters with A-1 Radar.	—	—	A few by '55	200 (mid '55) 2100 (mid '59)
Surface to air missile (Nitri B equivalent).	—	—	—	Operational by '57*

	Current		*Future*	
	'53 Estimates of '53 Situation	*'54 Estimates of '54 Situation*	*'53 Estimates of '57 Situation*	*'54 Estimates of '59 Situation*
Submarines				
Improved Ocean Patrol Submarines.	20	65*	100	295

Note. This table necessarily involves substantial simplification of National Intelligence Estimates existing and pending. Items marked with an asterisk (*) represent revisions since the similar table presented with NSC 5422.

3. Soviet Bloc Capabilities for Political Warfare, Subversion and Local Aggression

a. Present and future Soviet bloc capabilities for expansion by action short of general war appear, in the light of developments in Indochina and at Geneva, greater than a year ago. Throughout most of the free world, especially in Asia, the Communists have the capability through hardcore activists to engage in a wide variety of forms of penetration and subversion, ranging from organized civil war (as in Indochina) through persistent guerrilla activities (as in Malaya) to inflammatory demonstrations, propaganda, "popular fronts", and parliamentary harassment. The Communists will therefore increase their emphasis on a "creeping expansion" in preference to overt aggression, and they will continue to take over spontaneous movements bred of nationalistic fervor or economic discontent and to exploit free world disunity.

b. In the period through 1959, the Soviet rulers will almost certainly believe that, as Soviet nuclear capabilities increase, the aversion of the U.S. and, more especially, of its allies to general war will correspondingly increase, and that the Kremlin will therefore have greater freedom to take certain actions, including local military actions, without running substantial risk of general war [in situations where the allies would be likely to act as a brake on the United States.] †† The Kremlin may employ the threat of nuclear devastation as an instrument of political warfare. The Kremlin will, however, continue to be extremely reluctant to precipitate a contest in which the USSR would be subjected to nuclear attack. At the same time, the Kremlin would probably not be deterred by the risk of general war from taking counteraction against an action by the U.S. or its allies which the Kremlin considered an imminent threat to Soviet security. The extent to which the Kremlin uses the increased freedom of action which its increased nuclear capabilities appear to give it, and the success which it achieves, will depend primarily on the cohesion of the non-Communist world, and the determination and strength of the major free world powers.

Trends in the Free World Through Mid-1959

4. *Military* (JCS study on "Estimate of the Military Posture throughout the Free World, FY 1956 Through FY 1959," in Annex 2 of NSC 5422) [7]

a. The U.S. will achieve atomic plenty during the early part of this period and prior to like achievement by the Soviets. The U.S. is expected to maintain relative numerical and qualitative superiority in nuclear weapons and the means for their delivery. As the

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††Proposed by State. [Footnote and brackets in the source text.]

[7] For text of Annex 2 to NSC 5422, see p. 672.

Soviets approach the absolute atomic capability of inflicting critical damage upon U.S. and other allied targets, however, there could result a condition of mutual deterrence to general war.

b. Free world forces will be confronted with quantitative superiority in ground and tactical air forces in the geographical areas contiguous to the Soviet Bloc. However, the superior tactical atomic support which can be provided our allies during this period will, if accepted by them, partially offset allied deficiencies in conventional forces. Taken as a whole, effectiveness of European forces is considered fair to good. There has been no progress in forming West German forces and limited progress in forming Japanese forces. Events in the Far East resulted in a suspension of planned redeployments from that area. D-day NATO commitments of U.S. forces in Europe remain unchanged. No progress has been made in forming a strategic reserve based generally on U.S. territory, with a high degree of combat readiness and a capability of being moved to any threatened area.

5. *Alliances*

a. There have been serious instances of an unwillingness of important free world nations to take concerted action which the U.S. considers necessary to oppose communist expansion, particularly as regards Indochina, East-West trade, and EDC. West Germany is becoming restive because of protracted delay in recovering its sovereignty. The long-term alignment of Japan with the free world has become less certain. The situation with respect to Indochina has deteriorated with unexpected rapidity, confronting the free world with the possible loss of Southeast Asia to Communism and causing, in the continued absence of effective countermeasures, loss of confidence, particularly in the Far East, as to the willingness and ability of the free world to prevent further losses to Communism.

b. The alliances of the free nations will continue to be strained by divisive forces and conflicts of interests which will be vigorously exploited by the USSR. In particular, unity of action will be impaired by:

(1) Increasing fear of the effects of nuclear weapons.

(2) Differing estimates of the nature and imminence of the Communist threat.

(3) Distrust of U.S. national purposes and leadership.

(4) Political instability and economic weakness of some of our allies.

(5) Conflicts regarding trade policy and economic integration.

(6) Historic hostility between certain of the allies.

(7) Differing approaches to "colonial" problems.

6. *Underdeveloped Areas*

The underdeveloped areas of the free world will be especially vulnerable to Communist penetration and subversion by reason of nationalism and anti-colonialism, deep-seated distrust of the West, retarded economic growth, military weakness, political ferment. Strong pressures will result from impatience to achieve political and economic aspirations. Failure of the local governments to provide some satisfaction of these aspirations will create additional trouble and disunity in the free world while benefiting the Soviet bloc and will increase the dangers of Communist take-over of independent countries without armed aggression from outside. This danger will be most acute in Asia, in dependent areas such as French North Africa which are still under European rule, and in parts of Latin America.

[Here follows Annex B, entitled "U.S. Objectives in the Event of General War With the Soviet Bloc", which is simply a verbatim restatement of NSC 5410/1, March 29, 1954, page 644.]

S/S-NSC files, lot 63 D 351, NSC 5422

Memorandum to the National Security Council by the Executive Secretary (Lay) [1]

TOP SECRET WASHINGTON, October 25, 1954.

Subject: Guidelines for Mobilization

References:

A. NSC 5422/2 [2]

B. Memo for NSC from the Executive Secretary, same subject, dated October 5, 1954 [3]

At the request of the Secretary of Defense, the enclosed memorandum from the Secretary of Defense and the views of the Joint Chiefs of Staff on the subject are transmitted herewith for the information of the National Security Council in connection with its considerations of the draft statement of policy contained in the reference memorandum of October 5 at its meeting on October 26, 1954. [4]

JAMES S. LAY, JR.

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[1] Copies to the Secretary of the Treasury; the Attorney General; the Directors of the Bureau of the Budget and Central Intelligence; the Chairmen of the Council of Economic Advisers, the Atomic Energy Commission, and the Joint Chiefs of Staff; and the Federal Civil Defense Administrator.

[2] Dated Aug. 7, p. 715.

[3] *Ante*, p. 731.

[4] The enclosure is accompanied by two covering memoranda. The first, dated Oct. 25, is from Defense Secretary Wilson to Lay and reads: "Forwarded herewith for the information of the members of the National Security Council are the views of the

Continued

Appendix

RECOMMENDED CHANGES TO DRAFT OF SECTION III OF NSC 5422/2, GUIDELINES FOR MOBILIZATION

Recommendations of the Joint Chiefs of Staff regarding textual changes to the subject draft are as follows:

a. Add the following as new paragraph 28 and renumber subsequent paragraphs:

"28. There is a definite inter-relationship between the maintenance of active forces in a military establishment and the mobilization base for the expansion and support of those forces in time of war. Within limits these active forces and the mobilization base compete for appropriations and therefore they cannot be viewed separately. The funds necessary to implement the mobilization program should not be in lieu of but in addition to those funds necessary to support and maintain the forces in being."

b. Page 1, old paragraph 28: Delete and substitute the following:

"29. The U.S. matériel mobilization potential (a combination of reserves of completed military end items and capacity to produce them) is stronger now than ever before in peacetime. Facilities actively producing matériel (except nuclear materials) have declined in number in Fiscal Year 1954 and, under current plans, will continue to decline in number through Fiscal Year 1957. Although, through Fiscal Year 1957 there will be further accretions to our reserve of completed military end items, budgetary limitations and the criteria for accumulating mobilization reserve stocks necessarily result in imbalance and deficits in items required to be in military stocks on M-day. Further, obsolescence of reserve stocks is an element for consideration. Since the other factor, reserve production facilities essential for mobilization preparedness for general war, also will be inadequate, the U.S. matériel mobilization potential will be weaker in Fiscal Year 1956."

c. Page 1, old paragraph 29: Delete and substitute the following:

"30. a. The mobilization base for production of military hard goods is spotty. Large deficiencies exist in U.S. capacity to produce important components.

Joint Chiefs of Staff on Guidelines for Mobilization. This is a very complicated problem and I am not in complete agreement with the assumptions that were made nor the conclusions that were drawn from them. A great deal more work will have to be done on this problem." The second covering memorandum is from Admiral Radford to Secretary Wilson, dated Oct. 21, and reads: "The Joint Chiefs of Staff have reviewed the 5 October 1954 draft of Section III of NSC 5422/2, 'Guidelines for Mobilization' and submit in the Appendix hereto a recommended revision. Portions of the draft prepared by the NSC Planning Board appear to be repetitious of certain information. Other portions contain information not directly related to mobilization guidelines for the development of national security programs for FY 1956. An attempt has been made to resolve the divergencies appearing in the draft."

"b. From total actual deliveries of $24 billion in FY 1954, it has been estimated that, if war had commenced at the end of that year, total hard goods deliveries in the first year of the war (with no reduction for bomb damage) would have been $55 billion.

"c. From an annual rate of deliveries of $16.8 billion in the last quarter of FY 1955 it has been estimated that, should war commence at the end of the year, total hard goods deliveries in the first year of the war (with no reduction for bomb damage) would be $44 billion.

"d. From an annual rate of deliveries of $15 billion in the last quarter of FY 1957, it has been estimated that, should war commence at the end of that year, total hard goods deliveries in the first year of the war (with no reduction for bomb damage) would be $41 billion.

"e. The delivery capability of industry does not make allowance for damage by enemy action for which the USSR has a rapidly growing capability. 63% of the general industrial capacity of the U.S. is located in 53 major target areas. The forthcoming net capabilities evaluation study will provide guidance as to this factor, and when available, it will serve to modify the guidelines contained herein where appropriate."

d. Page 2, old paragraph 30: Delete and substitute the following:

"31. From the estimates of wartime output of hard goods set forth above, it is certain that such output would not be adequate to provide logistic support to our own forces and our essential allies in the first years of war of the near future. Mobilization plans do not include provision (in terms of military hard goods) for the logistic support of essential allies. At present, a procedure for determining the post-D-day military aid requirements of necessary allies is being implemented. Currently estimated production capacity, plus stocks, of such allies is generally inadequate to support their requirements. Until wartime requirements of U.S. logistic support for our allies can be determined and combined with up-to-date computations of U.S. requirements, it will not be accurately known in what type and by what quantity of matériel the U.S. mobilization base will fall short of providing necessary logistic support in the event of war."

e. Page 3, old paragraph 31: Delete and substitute the following:

"32. The United States should maintain its mobilization potential generally within the framework of the policy stated in paragraphs 34 and 40 of NSC 162/2 and in line with the general considerations stated in paragraphs 9 and 10 thereof. Effective implementation of this policy is dependent upon early completion of Joint mobilization plans and the determination and testing of logistic requirements based thereon; and the determination of allied wartime requirements, so that the magnitude and composition of the probable demand on U.S. resources can be identified. Furthermore, in the implementation of such policy, the United States, in recognition of the need for increased expenditures to adjust to known increases in Soviet net capabilities, should, subject to decisions on the budget and in the light of available information on the specific factors mentioned above:

> "a. Accelerate measures for dispersal to safer areas of important production capacity and, where that is infeasible, provide alternative production sources in safer areas insofar as practicable.
>
> "b. Detect, and remedy, such gaps as exist in the mobilization base and in mobilization reserves, taking into account probable damage to productive capacity from enemy action.
>
> "c. Accelerate measures to maintain, in a condition which will permit rapid reactivation or reconversion to war output, the greatly increased capacity in industrial plants, machine tools, and production equipment built up since Korea.
>
> "d. Undertake on an urgent basis studies to determine whether current military hard goods production ("hot lines") can be maintained at a level which will meet the full-phased post-M-day requirements minus (1) post-M-day production capabilities (obtainable through conversion or reactivation) and (2) mobilization reserves."

f. Page 4, old paragraph 32: Delete.

g. Page 5, old paragraph 33: Delete.

h. Page 6, old paragraph 34: Delete.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 219th Meeting of the National Security Council, Tuesday, October 26, 1954 [1]

[Extract]

TOP SECRET EYES ONLY

Present at the 219th Meeting of the National Security Council were the following: The President of the United States, presiding; Herbert Hoover, Jr., for the Secretary of State; the Secretary of Defense; the Acting Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; William F. Tompkins for the Attorney General (Item 3); the Chairman, Atomic Energy Commission (Items 1 and 3); the Director, Bureau of the Budget; the Chairman, Council of Economic Advisers; the Director, U.S. Information Agency; the Secretaries of the Army, the Navy, and the Air Force; Assistant Secretary of Defense Pike; the Chairman, Joint Chiefs of Staff; the Chief of Staff, U.S. Army; the Chief of Naval Operations; the

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[1] Drafted by Deputy Executive Secretary Gleason on Oct. 27.

Chief of Staff, U.S. Air Force; General Pate for the Commandant, U.S. Marine Corps; the Director of Central Intelligence; Robert Cutler, Special Assistant to the President; the White House Staff Secretary; Bryce Harlow, Administrative Assistant to the President; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

. . . .

3. *Guidelines for Mobilization* (Memos for NSC from Executive Secretary, same subject, dated October 5 and 25, 1954; NSC 5422/2; NSC 162/2)[2]

Mr. Cutler briefed the Council thoroughly on the long and involved background of the present paper, and noted that he had received the views of Secretary Wilson and the Joint Chiefs of Staff only last evening. He read Secretary Wilson's memorandum, which pointed out the difficulty of the problem and called for further study. The Joint Chiefs of Staff had undertaken to rewrite the Planning Board's draft, and Mr. Cutler said he was obliged to admit that, with respect to format and presentation, the JCS draft was an improvement on that of the Planning Board. With this view Dr. Flemming expressed concurrence. In any case, continued Mr. Cutler, the views of the Joint Chiefs of Staff must have caused some pain to Secretary Wilson, in view of the fact that in at least three significant instances their views were closer to those of the ODM than they were to those of the Secretary of Defense.

At the conclusion of Mr. Cutler's extensive briefing (copy filed in the Minutes of the meeting[3]), the President's attention was invited to subparagraph 34-a of the Planning Board draft,[4] which called for acceleration of measures for dispersal to safer areas of important production capacity or, where that was infeasible, for provision of alternative production sources in safer areas. The President inquired as to the meaning of this statement. Did it imply physically moving defense plants from dangerous areas to safer areas, or did it simply mean increased tax amortization to business men who will undertake in the future to build defense plants in safe areas? Dr. Flemming replied that the latter was the primary purport of this subparagraph.

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[2] The memoranda are printed on pp. 731 and 759. For text of NSC 5422/2, Aug. 7, 1954, and NSC 162/2, Oct. 30, 1953, see pp. 715 and 577, respectively.

[3] Briefing copy not found. For information on minutes of NSC meetings, see footnote 1, p. 394.

[4] Reference is to the enclosure to the Oct. 5 memorandum by Lay to the NSC, p. 732.

Secretary Wilson said that we had "got the cart before the horse" on the entire problem of mobilization guidelines. A great deal more work needed to be done, especially within the Joint Chiefs of Staff organization, before a reasonable policy could emerge. Moreover, in truth, there was disagreement among the Chiefs of Staff themselves. Finally, the present paper was based on incorrect military assumptions.

The President reacted with some surprise to Secretary Wilson's criticism of the report, and observed that after all of our bitter experience in two world wars, he had supposed that we could have reached agreement on the basic structure of our mobilization policy. But here was Secretary Wilson proposing that we go back and restudy all of these fundamentals.

Dr. Flemming said he wished to go back to the President's initial question, and observed that up to the present time the Government had made use of tax amortization as an inducement to new builders who would erect their plants in conformity with the Government's dispersal standards. From now on out, however, we wish to extend this inducement to manufacturers whose plants are now producing in danger areas and who wish to move to safer areas. Can we provide rapid tax amortization privileges to such individuals?

The President said this seemed sound to him, but Secretary Humphrey interposed that he didn't believe it was as simple as that. Much depended on what the United States could afford to do, since we must strike a balance between what we would like to do and the money we had available.

Mr. Cutler then suggested to the President and the Council that they direct their attention to the substantive changes proposed by the Joint Chiefs of Staff. [5] In the first instance they had proposed the deletion in part of subparagraph 34-a and the total deletion of subparagraph 34-b. Dr. Flemming stated that he would gladly agree with the view of the Joint Chiefs of Staff on both these subparagraphs, since the course of action called for therein anticipated the completion of the studies called for in subparagraph 34-e. Dr. Flemming added that all the major issues involved in our mobilization policy could be squarely met if the Council concentrated on the guidance suggested in paragraph 34 as a whole.

Secretary Humphrey expressed his very great anxiety over the loss of revenue to the Treasury from extensive tax amortizations. Was Dr. Flemming proposing, for example, to abandon all the existing defense plants in Detroit and rebuild them somewhere in

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[5] Reference is to the Appendix to the Oct. 25 memorandum by Lay to the NSC, *supra*.

West Virginia, with half the costs of such rebuilding to be borne by the Government? Could we actually afford to do anything on this scale?

Dr. Flemming replied that he welcomed having the issue stated so clearly by Secretary Humphrey. He said that he was not campaigning to get people out of Detroit, but if the National Security Council really meant business about dispersing critical defense plants, and if the Government took seriously the threat posed to our production base by estimated Soviet capabilities, then the Government certainly ought to be willing to provide an incentive which would induce Detroit manufacturers to move to safer areas.

Secretary Humphrey said that if you went down the list and selected industrial plants which were producing military items which were truly in short supply, and then if you could get somebody to build a new plant in a dispersed area, he believed it was then OK for the Government to pay half the cost for the erection of a new plant. On the other hand, it was the height of folly to tell every manufacturer of defense materials who wants to move his plant that the Government would pay half the costs. We simply couldn't afford anything like this, and that was what Dr. Flemming was proposing.

Dr. Flemming replied that it seemed at least better to him for private investment to build these new defense plants rather than to resort to the only other alternative, which was to have the Government build the plants. He repeated that the whole issue boiled down to the question of how seriously the Government was taking its dispersal program for critical defense production facilities.

Secretary Humphrey said that the truth of the matter was that a whole lot of business men were trying to get their plants built with the Government paying half the cost.

Secretary Wilson again insisted that the Council should start all over again on its study of mobilization policy, in view of such factors as lack of agreement on requirements, timing, and what might actually happen in a third world war. Not least of all the shortcomings of the present report was the fact that it had nothing to say about civilian requirements, although this was a limitation on production that must certainly be taken into account in formulating an adequate mobilization policy. Also, said Secretary Wilson, it was a serious mistake to talk about this mobilization problem only in terms and in measurements of money. This was wrong, for one thing, because the cost of many military end items, such as tanks, is steadily coming down. Timing also was a great factor. During the Korean war we had produced large numbers of tanks and planes that simply weren't any good. Now, however, production of these items was in pretty good shape, and you could actually duplicate your production of them if you really knew what your requirements were and what you needed to make to be ready for a future war.

The President again expressed surprise at Secretary Wilson's argument. He pointed out that recently, at his request, the Department of Defense had furnished him, for use in a speech, our exact requirements for 1100 major military end items. If we keep recomputing these requirements year after year, the President said, how will we ever get anywhere near our mobilization goals?

Dr. Flemming said he agreed heartily with Secretary Wilson's contention that we needed to bring our mobilization requirements up to date on a continuing basis. Defense and ODM have already agreed on a procedure for doing just this.

Secretary Wilson said that we were really very confused on whether or not we ought to keep production lines in being when there was no call for their products. As he saw it, he said, we were spending our money in this field for six main categories: (1) for maintenance of the existing level of forces; (2) modernization plans; (3) research and development; (4) stockpiling end items; (5) increase of capacity, including dispersion; and (6) improvement of bases and housing. More and more of us, he said, are coming to think that the first six months of a third world war would be the crucial phase. All this has a great bearing on the issue now before the NSC.

The President inquired of Secretary Wilson whether it was not true that all six of the points that he had raised had long since been decided on. Secretary Wilson replied that the decisions on them had been reached in 1951, and that the President would not be very happy now with the decisions which had been made at that time.

Mr. Cutler said that the point of the matter, and what really worried him most, were the facts and statistics set forth in the Planning Board's paragraph 30. [6] From an annual rate of deliveries of about $15 billion in the last quarter of FY 1957, it was estimated that should war commence at the end of that year, total hard goods deliveries in the first year of the war (with no reduction for bomb damage) would be $41 billion. Whereas from the total actual deliveries of $24 billion in FY 1954, it was estimated that if war had commenced at the end of that year, total hard goods deliveries in the first year of the war (with no reduction for bomb damage) would have been $55 billion. The difference, said Mr. Cutler, was quite alarming.

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[6] Reference is to the enclosure to the Oct. 5 memorandum by Lay to the NSC, p. 732.

Admiral Radford commented that in his opinion the National Security Council was talking about the present paper some three weeks too soon. By the end of that interval a number of problems bearing on mobilization policy will have been solved, and the Council will also have the advantage of having received the report on the net capabilities of the Soviet Union to damage the United States.[7]

The President inquired whether it would not be possible to get this whole problem portrayed on a chart or charts which would show the situation mobilization-wise that we would be in on M-day and thereafter—what we will look like. The chart should also include the strategic concept on the basis of which "we are going to fight."

Admiral Radford confessed that there was disagreement within the Joint Chiefs of Staff on the strategic aspects of war planning. He also expressed agreement with Secretary Wilson that money figures were often misleading in calculating mobilization requirements. For example, even if you had a great deal more money you couldn't procure a great many more aircraft, for the simple reason that aircraft could not be stockpiled in any great number. By and large, said Admiral Radford, our armed forces were better off than ever before in peacetime history, and we had a better mobilization and better production base than we had ever had in peacetime.

With respect to Admiral Radford's suggestion that the Council was premature in its consideration of the mobilization guidelines report, Mr. Cutler reminded the Council that it had embarked on this present exercise in March 1954 in order to have reached decisions which would be helpful in providing guidance for the formulation of the budget for the next Fiscal Year. Now here we are, on October 25; our task is still unfinished after six months, and there is not even a meeting of minds on how to complete it.

Dr. Flemming reiterated his conviction that appropriate budget guidance was actually provided by paragraph 34 of the Planning Board's draft. Turning to subparagraph 34–a, he said he would like to underline the word "important" in the phrase "accelerate measures for dispersal to safer areas of important production capacity . . .". He said if this directive were applied to a small number of critical end items, this would form the basis of a very practical program of dispersal. The President, however, remained skeptical, and asked Dr. Flemming how his proposal met the previously expressed objections of Secretary Humphrey. How, in other words, asked the President, can we meet this and avoid being blackjacked by some company which wished the Government to pay half the expenses of its new construction? Was one solution, continued the President, the possibility of offering tax amortization on a competitive basis? Secretary Wilson replied that this would certainly be complicated. The President replied that of course it would be complicated, but that it might be an answer to Secretary Humphrey's legitimate fears.

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[7] Reference is presumably to NIE-11-4-54, "Soviet Capabilities and Probable Courses of Action Through Mid-1959", dated Sept. 14, 1954, scheduled for publication in volume VIII.

Secretary Wilson then raised the question as to who should have jurisdiction over this problem, particularly as between himself and Dr. Flemming. Secretary Humphrey replied that obviously this was a joint responsibility of Defense and ODM. Secretary Wilson went on to say that what really worried him most in the mobilization picture was the aircraft industry. It was a very easy target for enemy action and it was an industry which was difficult to move. If we could find a practical answer as to what to do with this industry we would really have accomplished something useful. Similarly, the "missile business" is also a looming problem. For this reason Secretary Wilson said he believed it was better to try to approach this whole problem by pieces, item by item, rather than first trying to look at it as a whole.

Dr. Flemming said that he was quite agreeable to approaching the problem piece by piece. He said he also agreed with the President's approach to subparagraph 34-a in terms of a competitive tax amortization offer. He concluded that he was willing to accept the JCS version of subparagraph 34-a and to agree with the Joint Chiefs to drop subparagraph 34-b entirely.

The President reverted to his earlier idea that the best way to get all of this more clearly before the minds of the Council members was to present it visually instead of wholly in a written report. Secretary Humphrey agreed, and called also for confining the illustrations to a small number of specific items, such as aircraft. The President went on to say that what he wanted was a picture of the problem that we were trying to solve, and he felt that such a picture could readily be presented by an effective and imaginative staff officer.

Dr. Flemming went through the remainder of paragraph 34 and pointed out that the Net Capabilities Evaluation Subcommittee's report would be very helpful in carrying out subparagraph c. With respect to subparagraph d, he felt this to be a statement of principle which is altogether valid, even if certain safeguards were needed. As to subparagraph e, he said he did not see how he could possibly avoid making the kind of studies called for in this subparagraph.

Secretary Humphrey took issue with Dr. Flemming on subparagraph 34–d, and said he strongly preferred a program of converting existing plants making peacetime materials to quite different production of war materials, as opposed to the creation of large numbers of stand-by plants. Nothing, said Secretary Humphrey, grows obsolete so rapidly as stand-by plants.

Mr. Cutler then summarized the discussion and suggested an action for adoption by the Council which was in effect to adopt the JCS version tentatively and subject to reexamination at a meeting of the Council on December 3. Secretary Wilson and the President agreed with this proposed action. Mr. Hughes, however, pointed out that one sentence in the JCS paragraph 28 disturbed him. This read: "The funds necessary to implement the mobilization program should not be in lieu of but in addition to those funds necessary to support and maintain the forces in being." Written as it was, without any qualification, it seemed a dangerous invitation to spend money. The President said that of course we did not want to throw money around and permanently damage our economy. On the other hand, we had to be willing to spend enough to save our lives, and he still stood strongly by the concept of doing what we needed to do "over the long haul". It was therefore agreeable to him to amend this sentence by the addition of the phrase "Subject to decisions on the budget," at the beginning of the last sentence of paragraph 28.

The National Security Council: [8]

a. Discussed the reference memorandum of October 5 on the subject in the light of the views of the Joint Chiefs of Staff transmitted by the reference memorandum of October 25.

b. Tentatively adopted the statement of policy proposed by the Joint Chiefs of Staff in the enclosure to the reference memorandum of October 25, subject to:

> (1) Addition of the words "Subject to decisions on the Budget," at the beginning of the last sentence of paragraph 28.
>
> (2) Further consideration in connection with the current review of basic policy after a visual presentation by the Department of Defense and the Office of Defense Mobilization, at the Council meeting on December 3, 1954, [9] of the status of the mobilization base for the most critical categories of military end items through Fiscal Year 1957, after taking into account the forthcoming report of the Net Capabilities Evaluation Subcommittee.

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[8] Paragraphs a–b constitute NSC Action No. 1254. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

[9] "Guidelines for Mobilization" was not discussed by the NSC during the remainder of 1954.

Note: The statement of policy on the subject, as tentatively adopted and approved by the President in accordance with b above, subsequently circulated as Section III of NSC 5422/2. The action in b-(2) above subsequently transmitted to the Secretary of Defense and the Director, Office of Defense Mobilization.

S. EVERETT GLEASON

S/P-NSC files, lot 61 D 167, "Review of Basic Natl Sec Policy, Sept-Nov, 1954"

Paper Prepared by the Director of the Foreign Operations Administration (Stassen) [1]

TOP SECRET [WASHINGTON,] November 9, 1954.

REVISION OF NSC 162/2 [2]

1. The broad concepts upon which NSC 162/2 is based remain valid.

2. Changes in NSC 162/2 are required because of the following significant developments which have occurred during the past year.

a. The USSR has greatly modified its tactics and techniques for achieving its objectives in the political, psychological and economic fields. In addition, revised intelligence estimates give the USSR and the Soviet bloc significantly increased capabilities in the nuclear and military fields.

b. Significant breakthroughs in U.S. national policy have been made in the Middle East and possibly in Germany. In the Far East there have been fewer successes in the achievement of U.S. objectives and in Southeast Asia there has been an important Chinese-Soviet bloc expansion of power.

c. Developments by the U.S. in the thermo-nuclear field have been extremely significant.

d. Basic national differences between the U.S. and our allies in both the Eastern and Western Hemispheres, which have been submerged in the face of the serious Soviet threat, are becoming more evident.

3. The general objectives of the new document should include achievement of a just peace within which the vital security interests of the U.S. are preserved.

4. A continuing strong military posture and a determination not only to assume our share of world leadership, but to use force if

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[1] A covering memorandum of transmittal from Lay to the NSC, dated Nov. 19, notes that the "enclosed suggestions of the Director, Foreign Operations Administration" concerning the review of basic national security policy called for in NSC Action No. 1251 were being circulated to the NSC in anticipation of Council consideration at the meeting on Nov. 24. For information on NSC Action No. 1251, see footnote 3, p. 738.

[2] Dated Oct. 30, 1953, p. 577.

necessary to safeguard vital U.S. interests, remain basic. The U.S. is in the process of regrouping its military forces to carry out the concepts set forth in NSC 162/2. The U.S. has found that maintenance of modern armed forces by underdeveloped countries requires very substantial economic support. To counter the type of threat encountered in Vietnam, an elite constabulary and small, mobile, well trained military forces are the minimum essential requirement. World-wide U.S. commitments must be reviewed and revised to meet the current and projected situation.

5. There is a need for a clearly stated concept outlining the relationship between U.S. and Allied military forces, particularly in the underdeveloped areas and a policy statement as to the desirable degree of integration of these forces in the event of both local operations and in the event of a general war. This would lead to a later review of force goals of U.S. allies, particularly in the underdeveloped areas, and the establishment of U.S. force levels which will give minimum security to peripheral areas during the possible local wars, without jeopardizing U.S. war plans dealing with general war.

6. Overall U.S. policy towards Europe needs to be reviewed. An assessment as to the situation after Germany begins to make her full contribution to Western defense is essential with evaluation of the role of modern weapons in allied hands.

7. Our China policy, including East-West Controls of China trade, should be reviewed and revised. New efforts must be made to regain the initiative in Asia and the Near East.

8. Our success in the Near East should be exploited by following through to establish greater cohesion and increased strength of the area.

9. General policies on Africa should at least receive mention in the new document.

10. Generally, the NSC should reexamine the relative emphasis which should be assigned to military and economic programs in the underdeveloped countries of the Free World. In these areas, technical assistance, economic and educational programs and training and internal police forces should be strengthened to bring about better and more stable governments, sounder economic principles and practices and generally strengthen free world ties among these people as insurance against tactics of "creeping expansion—internal subversion" employed successfully by the enemy in many such areas. As a general objective the U.S. should act sympathetically and in a humanitarian manner towards the people and emerging nations of the underdeveloped areas in their struggle for independence and higher standards of living.

11. The U.S. should take stock of its ability to meet the more flexible and less predictable Soviet tactics, particularly in the political, internal police, economic and psychological fields, and make the necessary changes in organization and short-range policy to meet the new situation.

12. There must be made available adequate resources to execute national security policies and to maintain the U.S. military posture.

S/P-NSC files, lot 61 D 167, "Review of Basic Natl Sec Policy, Sept–Nov, 1954"

Paper Prepared in the Department of State [1]

TOP SECRET [WASHINGTON,] November 15, 1954.

BASIC NATIONAL SECURITY POLICY

(Suggestions of the Secretary of State)

I. CHANGES IN THE WORLD SITUATION AND ESTIMATE OF TRENDS OVER THE NEXT FEW YEARS

Reappraisal of national security policy must take account of recent changes and probable trends, both in the policies and tactics of the Communist powers and in the free world situation.

1. *Communist Policies*

The Soviet shift to a "soft" line since the death of Stalin is a major new factor. It tends to allay the fears of free-world countries, to relax their efforts to build effective defenses, to foster neutralism, and to divide the free peoples. The ending of hostilities in Korea and Indochina reinforces these trends.

The evidence so far does not prove that the USSR has modified its basic hostility toward the U.S. and the free world. As of now, however, the USSR appears anxious to avoid general war with the U.S. and probably will refrain from actions likely to bring on such a war, and may be seeking an extended period of lower tensions.

Communist China remains bitterly hostile to the U.S. and ostensibly committed to the conquest of Formosa. Despite its bellicose talk, however, Communist China may well be more interested in strengthening its economy and its international position than in early major military ventures that would involve war with the U.S. Its main effort in expanding its power probably will take the form of penetration and subversion in neighboring countries.

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[1] A covering memorandum of transmittal from Lay to the NSC, dated Nov. 17, notes that the "enclosed suggestions of the Secretary of State" were being circulated to the Council in anticipation of consideration at the meeting of Nov. 24.

The Sino-Soviet tie probably will remain intact for the next few years because it furthers the purposes of both parties. The USSR, however, may exercise a restraining influence on Communist China.

2. *Approach to Atomic Parity*

As indicated in NSC 5422/1, [2] the increased destructiveness of nuclear weapons and the approach of effective atomic parity are creating a situation in which general war would threaten the destruction of Western civilization and of the Soviet regime, and in which national objectives could not be attained through a general war, even if a military victory were won. A situation of mutual deterrence to general war could result. However, the possibility of war by miscalculation or otherwise cannot be excluded.

The growing Soviet nuclear power and the devastating nature of total war seem certain to affect allied and U.S. attitudes toward war and risks of war.

3. *Trends in the Free World*

The security of the U.S. continues to depend largely on the maintenance of its alliances and the cohesion of the free world.

In some respects, conditions have improved through the settling of the disputes in Egypt, Iran and Trieste; the London-Paris agreements; [3] and the liquidation of the Communist regime in Guatemala. Yet serious weaknesses remain.

The fear of atomic war and the Soviet "soft" line strengthen tendencies toward lower defense efforts, neutralism, or even uncritical accommodation with the Soviets. Differing attitudes on China have been a source of difficulty with our allies, and signs of generally more independent and nationalist policies on their part point to new strains on the alliances.

The situation in Southeast Asia is extremely precarious, although the conclusion of the Manila Pact [4] should have a salutary effect. In the underdeveloped areas, some specific situations have improved, but long-term trends still appear adverse.

II. IMPLICATIONS FOR U.S. BASIC SECURITY POLICY

Existing basic national security policy remains generally valid. Clarification and changes in emphasis, however, seem required in the following three aspects:

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[2] For information on NSC 5422/1, see the memorandum by Bowie, Aug. 4, p. 699.

[3] For documentation on the "London-Paris agreements", see vol. v, Part 2, pp. 1294 ff.

[4] For documentation on the Southeast Asia Collective Defense Treaty of 1954, see vol. xii, Part 1, pp. 1 ff.

1. *U.S. Policy should focus more effort on meeting the Communists' cold war strategy*

A prolonged period of cold war, with a reduced fear of overt aggression, will severely test the stability and cohesion of the free world. The U.S. should stress measures calculated to strengthen the political and economic fabric of the free world:

a. In the underdeveloped areas of South and Southeast Asia, the U.S. should:

(1) provide such economic and technical aid over an extended period, as can be used effectively to accelerate present slow rates of economic growth and to give those peoples a sense of present progress and future hope which is currently lacking. At present it appears both necessary and feasible to increase materially the scale of assistance to South and Southeast Asia, which are most directly threatened by Communist expansion;

(2) extend such military and related aid as may be required to enable them to maintain internal security and participate in local defense; but not press for the adoption of defense programs so extensive as to create undue internal strains.

b. In relations with Western Europe and Japan, the U.S. should:

(1) take full account of the effect of defense programs on their stability, and ensure that the rearming of the German Federal Republic and Japan is carried out at a pace and in a manner to minimize dangers of militarist revival;

(2) seek to reduce world barriers to trade and stimulate their trade prospects;

(3) in Western Europe, continue to foster economic and political integration.

c. In relation to the Latin American States,

(1) Faced with the well-organized Communist efforts to exploit economic and social conditions in these areas, the U.S. should seek to develop sounder economies there, recognizing that grants tend to perpetuate or encourage unsound fiscal policies, but that drastic shock treatment would probably be ineffective and merely strengthen the Communist position;

(2) The present close political affiliation of the American States, which is an extremely valuable asset in the United Nations and otherwise, must be preserved even at the price of slowing down somewhat our proper desire to put the financial affairs and policies of these countries on a sounder basis.

2. *U.S. policy should take full account of the fact that total war would be an incalculable disaster*

a. The primary aim must be to deter any Communist armed aggression and to avoid the danger that such aggression would develop into general nuclear war. For this purpose the U.S., with its allies, should maintain sufficient flexible military capabilities, and firmness of policy, to convince the Communist rulers that the U.S. and its allies have the means to ensure that aggression will not pay and the will to use military force if the situation requires.

b. The U.S., however, should (1) forego actions which would generally be regarded as provocative, and (2) be prepared, if hostilities occur, to meet them, where feasible, in a manner and on a scale which will not inevitably broaden them into total nuclear war. In the conditions facing us, such policies are necessary to assure the support of our allies against aggression and to avoid risks which do not promise commensurate strategic or political gains. These conclusions have an obvious bearing on basic military strategy and on our policy toward Communist China.

c. In organizing NATO defense around nuclear weapons:

(1) The U.S. should recognize that it will be morally committed to maintain in Europe forces for using these weapons or to supply such weapons to the other NATO countries.

(2) The U.S. and NATO should explore urgently the possibility of maintaining sufficient flexibility in NATO forces to avoid exclusive dependence on atomic weapons, without losing their deterrent effect, so as to give the Europeans some sense of choice as to the actual character of warfare. Otherwise the strategy will strain the will to fight and spur neutralism.

d. Guided missiles seem certain to become available within several years and to effect even more radically the problem of defense. It is not too soon to begin studies of their effects on our military strategy and alliances. At least in the early stages, when ranges are limited, they are likely to enhance greatly the importance of our overseas bases and our alliances.

3. *Without relaxing its defense posture, the U.S. should be ready, under proper conditions, to negotiate with the Communist powers*

This position is necessary and desirable both to satisfy world opinion and to explore the possibilities of actually alleviating or solving outstanding problems.

The U.S. should continue to seek:

a. Agreements on disarmament which would reduce the peril to our national existence resulting from present and prospective Soviet military capabilities and the continued possibility of total nuclear war.

b. Other means to reduce areas of tension and conflict without jeopardizing its security or that of the rest of the free world.

These efforts should have the aim of either:

a. Exposing the falsity of the Communists' "conciliatory" line and placing on them the onus for the persistence of unsettled problems, tension and the danger of war;

b. Forcing the Communist bloc to substantiate its "peace offensive" with conciliatory actions and compromises that will benefit the free world;

c. Encouraging trends in Communist policy favorable to peaceful relations and free world interests which the Communist rulers may find it difficult to reverse.

S/P-NSC files, lot 61 D 167, "Review of Basic Natl Sec Policy, Sept-Nov, 1954"

Paper Prepared by the Director of Central Intelligence (Dulles) [1]

TOP SECRET [WASHINGTON,] November 18, 1954.

The Director of Central Intelligence submits his comments for the Review of Basic National Security Policy in two parts, one dealing with key elements of intelligence bearing on the over-all problem, and the second indicating a recommendation for organization in the field of cold war activities.

I. ELEMENTS OF INTELLIGENCE ENTERING INTO A REVIEW OF POLICY VIS-À-VIS THE SOVIET BLOC

Relative Soviet Military Power

1. The Soviet Bloc's power to launch military action against the US will be substantially greater five years hence when it will probably have completed the re-equipment of its long-range air force with high-performance jet aircraft and have accumulated a substantial arsenal of assorted tactical and strategic nuclear weapons (including multi-megaton bombs). At the same time its air defenses will be substantially improved, and its conventional armaments, particularly submarines and the ground forces of itself and China, will be thoroughly modernized.

2. Against these developments we must balance the continued improvement of the NATO forces plus the probable introduction of important German units, the possibility of some rearmament in Japan, and the progressive development of new defensive weapons and measures. On balance, it is believed that the USSR will have a *net* capability to inflict increasingly serious injury on the US from 1957 on. And if, as we estimate, the Soviets can develop an intercontinental ballistic missile by early in the 1960's, it will confront the US with a further physical insecurity, for which there may be no practical countermeasure.

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[1] A covering memorandum of transmittal from Lay to the National Security Council, dated Nov. 18, notes that the "enclosed comments of the Director of Central Intelligence" were being circulated to members of the NSC in anticipation of consideration by the Council at its meeting on Nov. 24.

3. The USSR already possesses the net capability to inflict crippling damage on this country's principal industrial allies, specifically the major nations of Western Europe and Japan. No improvement in defensive measures presently contemplated will be sufficient to prevent this net capability from becoming greater with the passage of time, especially as Soviet capabilities in medium-range missiles improve. This growing vulnerability of our Allies has already visibly reduced their willingness to incur any appreciable risk of war in order to prevent Soviet successes in third areas, notably in Asia. We must expect that our Allies will show increasing reluctance to engage in diplomatic or military action which seems to involve a risk of war. With certain exceptions where their own vital interests are directly concerned, their willingness to stand firm will decline in the face of new acts of subversion, minor communist advances, and acts of Soviet intimidation.

Political and Economic Situation of the Bloc

4. Based on present trends, political and economic developments within the Bloc may be expected to continue favorable from the Soviet standpoint. Despite discontent in the European Satellites, there is little chance of Soviet control being shaken by internal revolt in the next few years, though there is the possibility that unrest and economic difficulties might tend increasingly to reduce their net contribution to the strength of the Bloc. Within the USSR itself the succession crisis has to date been surmounted with surprising ease, and there is evidence that the Soviet people are less dissatisfied with the regime than in years past.

5. For the next few years, the economic growth of the USSR can be expected to continue at a rate (expressed in percentage terms) almost double that of the US. The total output of the US economy will, of course, continue to greatly exceed that of the USSR, and the growth of output in absolute terms should be greater in the US in most years. These comparisons in terms of total output are, however, misleading from the military viewpoint, because Soviet efforts have been concentrated on heavy industry and on the production of capital goods and military end items, with the consequence that a far larger proportion of the USSR's smaller total output is of a sort that contributes to the nation's war potential. There is currently some increased emphasis on consumer goods and on agriculture, which is still a weak point. Nonetheless, the Soviet margin of advantage in growth rates will be greater in the industrial sector than in the economy as a whole, and the Soviets will certainly devote to capital investment a far higher proportion of their output than the US.

6. Except for specialized items of direct military importance, Free World restrictions in trade with the USSR are likely to produce only minor nuisance effect and to be less and less effective in view of increasing Bloc self-sufficiency. There will be growing opposition to the maintenance of controls on trade with the Bloc in both Free Europe and Asia (especially Japan).

Communist China

7. Red China has emerged as a powerful junior partner in the Bloc—a nation more vigorous and cohesive than at any time since the 17th century. At the present time the Red China regime is definitely oriented toward the USSR not only for ideological reasons but because it has nowhere else to turn for help in attaining its industrial and strategic goals. It seems unlikely that the US will continue to find a majority with it for opposing the entrance of Communist China into the United Nations. Moreover, most other Asians (including the Japanese) and most Europeans will continue to be highly sensitive to actions by the US which seem to be designed to render peacful coexistence with Red China impossible. We may therefore face a further degree of isolation on the UN and other issues related to Communist China, as time goes on, which would adversely affect our relations with other friendly countries and neutrals, and hence the carrying out of our policy in the Far East.

Possible Lines of Soviet Policy

8. While we continue to estimate that the Soviet leaders ultimately envisage "(a) the elimination of every world power center capable of competing with the USSR, (b) the spread of Communism to all parts of the world, and (c) Soviet domination of the other Communist regimes," we have increasing evidence that the top Soviet leadership realize that this is a long-term objective and may be genuinely desirous of a considerable period of "coexistence", that is, a period of some years in which tensions and risks of war are reduced. Recent statements by Malenkov added to concrete steps with respect to Yugoslavia and other neighbors, and unrest in certain of the satellites, suggest that the USSR would like to "make a deal" (or series of deals) that would secure Western acquiescence to the approximate present area of their domination, in exchange for their undertaking not to expand the Communist orbit by force. Such a Soviet desire would be motivated in part by fear of war, in part by the already clear belief that a return to the Stalinist level of tensions would be counterproductive and that the Western alliance can be better split by soft than by hard tactics, and in part by domestic preoccupations in both the USSR and Communist China. Whether the Soviets might again turn to a tough policy,

and the lengths to which they would then go, would depend largely on the firmness and stability of the Free World in a developing situation of effective atomic plenty.

9. Though we assume that the Western coalition is resolved to proceed with the ratification of the Paris agreements [2] despite any Soviet diplomatic maneuvers, there is throughout Europe an impatience to explore the possibilities of "coexistence" that will be increasingly difficult to resist once the agreements are accomplished. The UK, French, and German governments will press strongly for efforts to reach a general settlement with the Soviets. The US may be able to restrain this urge for a while. However, if the Soviet "peace offensive" continues, sometime in 1955 the US will probably have to choose between increasing isolation from its major Allies and participation in such a move, with a review [*view*] to debunking the Soviet "peace offensive" to the degree it turns out to be phony.

10. On the other hand there are some indications that the Soviet "peace offensive" might taper off, as at least some of the leaders of the USSR apparently advocate a decidedly tough reaction to the ratification of the German rearmament agreements. Thus during the months ahead the US might well prepare alternative policies depending on whether or not the Soviet "peace offensive" continues after the Paris pacts are ratified.

11. We estimate that the USSR will not deliberately initiate, and will try to restrain its Far Eastern allies and satellites from deliberately initiating, a hot war or overt military aggression within the next five years provided the US and the Free World maintain an adequate military posture. On the other hand, even if Soviet leaders genuinely desire the period of relaxation mentioned above, such a period would take some time to develop. Notwithstanding the pendency, or even the actual existence, of a "deal" or "deals" covering overt aggressive action, the Soviet leaders will not expect subversive movements to diminish, nor will they plan in fact to abandon their initiation, direction and covert support of such movements. Thus, the Soviet Bloc will not hesitate to seize opportunities to exploit weaknesses and division in the rest of the world, with all of the techniques of political, psychological, economic and subversive warfare at which they are adept, and will devote major financial and other resources to this effort.

12. As the lines between the Soviet Bloc and Western coalition have come to be more and more clearly drawn over the last seven years, a situation has come into being in which any further Soviet Bloc gains of territory (whether through aggression from without

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[2] For documentation on the "Paris agreements", see vol. v, Part 2, pp. 1294 ff.

or subversion from within) would have an impact which might be out of all proportion to the strategic, economic, or political significance of the territory lost. The US is challenged by an aggressive enemy with the capability of organizing opposition in virtually all parts of the world, and this enemy's strategy of reliance upon excessive promises and of exploiting every disruptive local issue places it in a position to exploit as a victory almost every breakdown that occurs in the machinery of society outside of the Soviet Bloc. Unlike Britain in the 19th century, therefore, the US today must take seriously, as a potential threat to the cohesion and determination of the Free World, every situation of weakness that develops anywhere in the non-communist world from Chile to Vietnam.

II. RECOMMENDATION

Need for Additional Counter-Subversive Activity

1. The Soviets enjoy a substantial advantage in the field of integrated subversive warfare. They have effective assets in most free countries in the form of communist political parties, front organizations and underground nets, as well as the tightly coordinated mechanisms of a dictatorial government to control and direct the use of these assets. We should face the fact that some of these advantages will persist. These are largely inherent in the nature of the Soviet system, which has no scrutiny from a free press and is not subject to the pressures generated by democratic political and legal processes. The communists enjoy, too, the immense advantage of being bent upon destruction and disruption everywhere outside their own border with no responsibility for the infinitely more difficult task of construction and conservation.

2. Despite the difficulties that confront the US Government by reason of its devotion to freedom and democracy at home and to constructive purposes abroad, there are shortcomings in our counter-subversive effort which could be overcome. It goes without saying that the US will need to employ in a closely coordinated fashion all the cold war weapons at its disposal, including specifically economic measures, military programs designed to achieve cold war objectives (rather than to contribute significantly to allied strength in the event of a hot war), and covert operations. Yet this Government has not developed the coordination, flexibility, and decisiveness in resolving internal differences that would make possible the utilization with maximum effect of all the assets which the US does possess. Furthermore the US gets precious little help from its Allies in this field.

3. These shortcomings will not be overcome merely by the creation of additional administrative machinery. What is required for the more effective carrying out of NSC directives in the field of countersubversion is the decisive coordination of political, military, economic and covert actions, greater flexibility in integrating into specific covert operations assets already available in our military, diplomatic and economic organizations, and possibly more effective utilization of assets outside of government in the business and academic fields. Consideration should also be given in appropriate instances to seeking the cooperation of our Allies so that their assets would also be available in specific covert counter-subversive programs.

S/P-NSC files, lot 61 D 167, "Review of Basic Natl Sec Policy, Sept-Nov, 1954"

Memorandum by the Director of Defense Mobilization (Flemming) to the Special Assistant to the President for National Security Affairs (Cutler)

TOP SECRET WASHINGTON, November 19, 1954.

I am attaching to this memorandum some "Notes on National Security Policy."

I am always very hesitant to develop a paper of this kind without having first had the benefit of discussion with representatives of Departments and Agencies that are much closer to some of these matters than I am.

I am confident that this does not reflect any final position on my part, but that my views will change as a result of discussion in the National Security Council.

I would hope very much that this document would not be circulated through the staffs of various Departments and Agencies and labeled as an O.D.M. position. I have simply tried to "think out loud" in an effort to be helpful as far as the discussion next week is concerned. [1]

ARTHUR S. FLEMMING

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[1] Reference is to the forthcoming NSC meeting on Nov. 24; see the memorandum of discussion, p. 787.

[Attachment]

Paper Prepared by the Director of Defense Mobilization (Flemming)

TOP SECRET [WASHINGTON, undated.]

NOTES ON NATIONAL SECURITY POLICY

1. There appears to be general agreement that since the adoption of NSC 162/2, [2] the time when Soviet Russia will approximate the strength of the United States in nuclear weapons has been shortened considerably.

2. Available evidence points to the fact that during the period between now and the time when Soviet Russia approximates the strength of the United States in nuclear weapons, both Soviet Russia and Communist China will continue their efforts to widen their sphere of influence particularly in Asia and Southeast Asia by such methods as subversion and the initiation of civil wars.

3. In developing a coordinated action program for the few years remaining before Soviet Russia does approximate the strength of the United States in nuclear weapons, consideration must be given to the type of program it will be necessary to follow after the position of equality is reached.

. . . .

5. At the same time, the United States should be prepared to react with force if necessary and advantageous to expansion and subversion supported and supplied by Communist China which, if carried to a successful conclusion, would weaken our position in relation to Soviet Russia. This is an area where no generalized statement of policy can provide ahead of time the answers to the specific situations that may arise.

It is clear that we must be prepared to react with armed force against any belligerent move by Communist China.

6. Between now and the time when Soviet Russia approximates the strength of the United States in nuclear weapons, the United States should use its present position of superiority as a backdrop for political, psychological and economic measures designed to strengthen the non-Communist nations of Asia and Southeast Asia. This program should be pressed as relentlessly and with as complete abandon as far as sacrifices are concerned as if we were engaged in actual hostilities.

Military situations should be dealt with as they arise in such a manner as to make it clear that we will not stand idly by and permit Governments which have moved in the direction of an alignment with the Free World to be undermined by Soviet Russia or Communist China by subversion or by the initiation of civil war.

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[2] Dated Oct. 30, 1953, p. 577.

7. Coincident with the carrying forward of this type of program between now and the time when Soviet Russia approximates the strength of the United States in nuclear weapons, a comprehensive program should be put into effect which makes it very apparent to both the enemy and the Free World that we are taking realistic and revolutionary steps which involve genuine sacrifices in order to put the Free World in a position where it will not have to adopt a defeatist or fatalistic attitude when Soviet Russia does approximate the strength of the United States in nuclear weapons.

One aspect of this total program should involve our mobilization base in the following manner:

a. As we taper off or bring to an end current defense production of military end-items that may or may not become obsolete, we should take steps to provide adequate capacity for production of new weapons at the rate that would be required immediately following M Day.

b. We should identify those comparatively small numbers of end-items that we would need to have in production and keep in production on M Day, if our retaliatory efforts are to be successful, and make sure that we have facilities for the production of such items at locations that are regarded as being the least vulnerable to attack, and that are subjected to security measures which would virtually eliminate the possibility of internal sabotage. Criteria which are utilized in the establishment and operation of AEC installations should be applied to installations that must be available in the interest of effective retaliation. The carrying out of such a policy will involve either the relocation of some facilities or the construction of shadow facilities and the development of detailed plans for putting such facilities into operation.

S/P-NSC files, lot 61 D 167, "Review of Basic Natl Sec Policy, Sept-Nov, 1954"

Memorandum by the Director of the United States Information Agency (Streibert) to the Special Assistant to the President for National Security Affairs (Cutler) [1]

TOP SECRET WASHINGTON, November 19, 1954.

In response to your invitation to submit suggested changes in the Summary of Existing Basic National Security Policy of October 21, 1954, [2] USIA submits the following:

Add to item D-4, "Uncommitted and Underdeveloped Areas", page 5, 4th paragraph, the clause underlined as follows: [3]

"The U.S. should seek to secure the cooperation of uncommitted states on a basis of mutual self-respect, without attempting to make active allies of those not so inclined. *Recognizing that economic development would not in itself necessarily create an atmosphere more favorable to cooperation with the free world alliance, the U.S. should take such actions as are calculated to produce a favorable psychological effect in the area,* and should refrain, so far as feasible, from opposing anti-colonialism and legitimate nationalism."

Because economic crisis or collapse can be used effectively by the Communists, there is a widespread opinion that economic improvement and development will make it more difficult for communism to penetrate and will promote free world cohesion. This, in our opinion, is not necessarily so. In fact, it can be demonstrated that in many cases Communist penetration is more effective *with* economic improvement.

Perhaps the suggestion does not cover adequately this basic policy, but it seemed to us to fit into the Summary best at this point.

THEODORE C. STREIBERT

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[1] A covering memorandum of transmittal from Lay to the National Security Council, dated Nov. 22, notes that the enclosed views of the Director of the USIA were being circulated to members of the NSC in anticipation of consideration by the Council of a review of basic national security policy at the meeting of Nov. 24. This memorandum also states that the views of the Chairman of the Council of Economic Advisers were included, but no such paper has been found. This memorandum was addressed to Cutler in his capacity as Chairman of the NSC Planning Board.

[2] Reference is to a later revision by Cutler, not printed, of the Oct. 11 basic statement on existing national security policy, p. 738.

[3] Printed here as italics.

S/P-NSC files, lot 61 D 167, "Review of Basic Natl Sec Policy, Sept-Nov. 1954"

Memorandum by the Secretary of Defense (Wilson) to the Executive Secretary of the National Security Council (Lay)[1]

TOP SECRET WASHINGTON, November 22, 1954.

Subject: Review of Basic National Security Policy (NSC 162/2 and NSC 5422/2)[2]

The Joint Chiefs of Staff have provided the following comments regarding desirable changes in United States basic security policy. These comments are as follows:

"1. At this time, when 'Existing Basic National Security Policy' is under review, the Joint Chiefs of Staff feel it their duty specifically to draw attention to the evolution of a situation which, militarily, could involve progressively more serious risks to national security than those we now face. The struggle between the Communist and non-Communist world is now in a critical era and within a period of relatively few years will probably reach a decisive state.

"2. There is no acceptable evidence of abandonment or major modification of the Communist objective of achieving ultimate world domination, using armed force, if necessary. There is no abatement of Communist efforts to infiltrate, subvert and control non-Communist Governments. Communist machinery for exerting this effort continues to be augmented and strengthened. Communist armed strength and war-making potential, including capability for thermonuclear attack, continue to increase.

"3. This combination of objective and capabilities together comprise a threat to the non-Communist world in general and to our national security in particular. The growth of this threat, with the enormously increased potentiality for destruction, deriving from capability in the thermonuclear field, and growing fear, in certain non-Communist nations of involvement in atomic war, with a definite trend toward neutralism, are some of the major forces in the situation now evolving.

"4. The non-Communist world, if it takes positive and timely *dynamic* countermeasures, presently has ample resources to meet this situation, and with high chance of maintaining world peace without sacrifice of either vital security interests or fundamental moral principles, or in the event of war being forced upon it, of winning that war beyond any reasonable doubt. On the other hand, failure on the part of the free world and particularly of the United States to take such timely and dynamic action could, within a relatively short span of years, result in the United States finding itself isolated from the rest of the free world and thus placed in such jeopardy as to reduce its freedom of action to two alternatives—that of accommodation to Soviet designs or contesting such designs under conditions not favorable to our success.

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[1] A covering memorandum of transmittal from Lay to the NSC, dated Nov. 22, notes that "At the request of the Secretary of Defense, the enclosed comments of the Joint Chiefs of Staff on the subject" were being circulated to Council members in anticipation of consideration at the Nov. 24 meeting; for the memorandum of discussion, see *infra*.

[2] Dated Oct. 30, 1953, and Aug. 7, 1954, pp. 577 and 715, respectively.

"5. Paragraph 45 of NSC 162/2 states '. . . the broad aim of U.S. security policies must be to create, prior to the achievement of mutual atomic plenty, conditions under which the United States and the free world coalition are prepared to meet the Soviet-Communist threat with resolution and to negotiate for its alleviation under proper safeguards.' When adopted, it was considered that NSC 162/2 provided a basic policy which held promise of achieving this broad aim, despite the lack of concrete definition of the 'conditions' to be created. However, the Joint Chiefs of Staff believe that, in the interim since the adoption of NSC 162/2, the Soviet-Communist threat has not been reduced, while the time available for the establishment of more secure conditions has appreciably diminished. It is deemed pertinent to the review of current policy to determine whether this lack of progress should be attributed to the policy itself or to the efficacy of steps taken in implementation thereof.

"6. The United States rejects the concept of preventive war or acts intended to provoke war. Thus, a definite limit is established beyond which our policy and courses of action to implement that policy should not go. However, there remains a wide latitude between a category of somewhat passive measures which are reactive or counteractive to Soviet acts or threats of aggression and a category of more positive measures to be undertaken 'even at the risk of but without deliberately provoking war.' A study of NSC 162/2 discloses that it provides verbal accommodations for either of these categories of security measures. Meaningful evaluation of basic security policy, however, includes recognition of the interpretations given to such policy statements in their actual application. In this sense it is clear that steps taken under NSC 162/2 have not resulted in a reduction of the Soviet-Communist threat. On the contrary, NSC 162/2 as basic security policy has been attended by continued emphasis on reactive-type security measures and continued growth of the threat to the free world. Accordingly, it is believed necessary to remove from NSC 162/2 its present preponderant commitment to a policy of reaction, with the purpose of providing a basic U.S. security policy of unmistakably positive quality.

"7. While NSC 162/2 has sufficient flexibility to have served as adequate guidance to meet Soviet aggressions occurring during its existence, the Joint Chiefs of Staff feel that in the formulation of subsidiary policies pertaining to particular countries or regions, there have been deviations from the guidelines provided in NSC 162/2 and that, in the application of these policies, the United States has not focused upon the achievement of the broad objective of our basic security policy. It is considered that the timely achievement of the broad objective of U.S. security policy cannot be brought about if the United States is required to defer to the counsel of the most cautious among our Allies or if it is unwilling to undertake certain risks inherent in the adoption of dynamic and positive security measures. In summary, it is the view of the Joint Chiefs of Staff that the objective stated in paragraph 45 of NSC 162/2 remains valid but it is imperative that our basic security policy, when revised, reflect throughout the greater urgency of the present situation, define concretely the conditions which it is the aim of our security policy to create, and direct the formulation of courses of action designed to achieve the basic objective. In the final analysis, the criterion as to each course of action to be adopted should be determined by what best serves the interests of the United States.

"8. The Joint Chiefs of Staff recommend that the foregoing views be presented to the National Security Council. A statement of the specific methods of implementing paragraph 45 of NSC 162/2 and paragraphs 12 and 13 of NSC 5422/2 should be charged to some existing or *ad hoc* agency of the NSC, so constituted as to membership as to insure that all major political, military, economic, and financial considerations will be accorded their due consideration."

The Secretaries of the Army, Navy and Air Force agree with these comments as do I. I am transmitting them to you as the views of the Department of Defense for the consideration of the National Security Council.

C.E. Wilson

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 225th Meeting of the National Security Council, Wednesday, November 24, 1954 [1]

TOP SECRET

Present at this meeting were the President of the United States, presiding; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were Assistant Secretary Rose for the Secretary of the Treasury; the Acting Attorney General; the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission; Mr. Spear for the Federal Civil Defense Administrator; the Chairman, Council of Economic Advisers (Item 1); the Director, U.S. Information Agency; the Deputy Secretary of Defense; the Secretary of the Army; the Secretary of the Navy; the Secretary of the Air Force; the Under Secretary of the Navy; the Under Secretary of the Air Force; the Chairman, Joint Chiefs of Staff; the Chief of Staff, U.S. Army; the Chief of Naval Operations; the Chief of Staff, U.S. Air Force; Gen. Pate for the Commandant, U.S. Marine Corps; the Director of Central Intelligence; the Assistant to the President (Item 1); Robert Cutler, Special Assistant to the President; the Deputy Assistant to the President (Item 1); the Naval Aide to the President (Item 2); the White House Staff Secretary; Mr. R.C. Sprague, Consultant to the NSC (Item 2); the NSC Representative on Internal Security (Item 2). The following Members and Advisers of the NSC Planning Board were present for Item 1: Mr. Bowie, State; Gen. Bonesteel, Defense; Gen. Porter, FOA; Mr. Elliott, ODM; Gen. Gerhart, JCS; Mr. Amory, CIA; Mr. Reid, Budget; Mr. Snapp, AEC. The Secretariat consisted of the Executive Secretary, NSC, and the Deputy Executive Secretary, NSC.

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[1] Drafted by Deputy Executive Secretary Gleason on Nov. 26.

There follows a summary of the discussion at the meeting and the main points taken.

1. *Review of Basic National Security Policy* (NSC 162/2; [2] Memos for NSC from Executive Secretary, same subject, dated November 17, 18, 19 and 22, 1954; [3] Memo for Gen. Cutler from Director, ODM, dated November 19, 1954; [4] NSC 5422/2; [5] Memo for NSC from Executive Secretary, subject: "Summary of Existing Basic National Security Policy", dated October 11, 1954; [6] NSC Action No. 1251; [7] NIE 11-4-54 [8])

Mr. Cutler outlined in a briefing note (copy filed in the minutes of the meeting [9]) a proposed procedure for Council discussion of the reference problem in terms of a series of topics. With respect to the first of these, "A Statement of the Nature and Scope of the Soviet Threat and Probable Soviet Intentions During the Next Few Years", Mr. Cutler suggested a postponement of the discussion, with which suggestion the Council concurred. On the second topic, "The Emphasis and Manner of Carrying Out the Existing Policy", Mr. Cutler stated that this, in his opinion, constituted the principal issue before the Council. The Departments of State and Defense, he indicated, differed perceptibly in their views on this topic. He then called on the Secretary of State for an expression of his views on this topic.

Secretary Dulles spoke first on the negative side, saying that he thought that the area of policy where we had been most lacking in achievement was primarily in the economic field. We were currently in pretty good shape from the point of view of our political and military situation. We did obviously lack a dynamic policy in the economic field, and our foreign economic policy was so uncertain that many of our friends in the free world are in doubt whether they ought to tie their economies in with us or, as an alternative, make an accommodation with the Soviet bloc.

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[2] Dated Oct. 30, 1953, p. 577.

[3] The memoranda under reference pertain to the papers prepared by the Directors of Foreign Operations, of Central Intelligence, and of the U.S. Information Agency, and those prepared by the Department of State and by the Secretary of Defense between Nov. 9 and 22, pp. 770 ff.

[4] For text of this paper, with attachment, see p. 781.

[5] Dated Aug. 7, p. 715.

[6] For text of this memorandum, with enclosure, see p. 738.

[7] Regarding NSC Action No. 1251, see footnote 3, *ibid.*

[8] Extracts from NIE-11-4-54, "Soviet Capabilities and Probable Courses of Action Through Mid-1954", are scheduled for publication in volume VIII.

[9] Briefing note not found. For information on minutes of NSC meetings, see footnote 1, p. 394.

A second serious lack, said Secretary Dulles, was represented by our failure to create an organization for the effective conduct of subversive and counter-subversive operations against the enemy. When we shift to the non-military struggle with our Communist enemies it is clear that the Communists, who have long been practiced in revolutionary techniques, have achieved successes in both subversion and counter-subversion far exceeding our own. Secretary Dulles said he noticed that CIA was equally concerned with this problem, and advocated support of the position taken by the Director of Central Intelligence on a more effective organization for this area of activity.

In other respects than these, Secretary Dulles expressed the opinion that our basic policy on the whole was pretty good, even (speaking sarcastically) if it hasn't got us into war, and he was not sure (again sarcastically) that not getting into war was a bad thing. Certainly our policy could not be described as "craven". We could have got into a war in Indochina, but we had not done so for reasons which were well known. In the case of the British plane shot down by the Chinese Communists in the area of Hainan Island, we again indicated that we were not fearful, and we shot down Chinese Communist aircraft. Certainly we were not timid with respect to over-flights of Soviet territory by U.S. planes. We were about to conclude a defensive treaty with Formosa which would be a "major challenge" to Communist China. In fact, at a recent meeting in Peiping the Chinese Communists said that they would consider such a treaty virtually an act of war. In Europe the United States had been largely instrumental in achieving the decision by our allies to proceed with the rearmament of Germany despite the Soviet Union. Despite all this, said Secretary Dulles, it would be difficult to argue that our policies are not strong, firm, and indicative of a willingness to take risks. But our policy was none the less one which fell short of actually provoking war.

In one respect only was the United States now facing a general deterioration of its position in the world—namely, the forthcoming achievement of atomic plenty and a nuclear balance of power between the U.S. and the USSR. But how, asked Secretary Dulles, were we to prevent the Soviet Union from achieving such a nuclear balance of power without going to war with the USSR? Certainly no actions on the periphery of the Soviet Union would stop the growth of the atomic capabilities of the Soviet Union. If achievement of this capability were to be stopped, it must be stopped in Russia itself, and this meant action against Russia. This did not mean, of course, that we could not do a great deal along the periphery of the Communist empire to prevent the subversion of free nations.

At the conclusion of Secretary Dulles' statement, Mr. Cutler called on Secretary Wilson, who said that he looked at the situation very much as Secretary Dulles did. The problem as he saw it, said Secretary Wilson, was to maintain our strength and our world leadership. Accordingly, we should never lose sight of the fact that our free society is a very powerful factor in the world situation. We must be willing to fight for the values of our free society. He said that he was accustomed and liked to analyze problems, both inductively and deductively, and he could demonstrate this position by reference to perhaps ten specific cases. Most of the problems which we now confront in the world derive from three things: First, the aftermath of World War II; second, from the collapse of colonialism which, after all, the United States had itself in a way begun; and third, while naturally we don't believe in Communism ourselves, it is not so much Communism that we are fighting as it is Soviet imperialist Communism. As proof of this Secretary Wilson cited our attitude toward Yugoslavia, and further indicated that we would not worry so much about Communist China were it not for that country's alliance with the USSR. It was, in short, the international crusade of Communism that so concerned us. For these reasons Secretary Wilson thought it would be a good thing to base our overall national security policy on the case-by-case study to which he had referred at the outset of his remarks.

Continuing, Secretary Wilson pointed out that another serious problem was posed by the changing techniques of modern warfare, together with the weapons available to us. Some people were anxious to shift to these new weapons too radically. Others appeared to wish to fight the next world war as we had fought World War II. It was necessary to make a wise choice between these two extremes. And, furthermore, we must have patience in our effort to defer another world war for long enough to permit the seeds of decay which were inherent in Communism to have their effect.

Called on by Mr. Cutler, Dr. Flemming said that he would not differ from the position taken by Secretary Dulles, but that he would change the emphasis by putting Secretary Dulles' last position, with regard to the achievement of nuclear balance of power, in the first place. He said he would also agree with the Defense position as to the desirability of reaching a basic policy position by reference to a case-by-case study. The test should be in each case whether or not a proposed course of action resulted in the weakening of the power of the Soviet Union. Mr. Cutler commented that he had rarely seen a stronger position than that taken by Dr. Flemming in his written report. Dr. Flemming, however, explained and qualified this position.

The President, speaking with conviction, said that it was absolutely essential, if possible, to clarify the basis of the Council's present discussion. It was certainly not necessary to restate the history of United States policy. He also expressed a strong agreement with Secretary Wilson's proposal for proceeding on a case-by-case basis. But in many respects, despite the plea for a more dynamic U.S. policy, our policies were not dynamic, but negative. An example was our policy with respect to trade between the free world and Communist China. In any event, the critics of our current policy certainly ought to refer to specific forthcoming problems and decide what they will do when the problem actually must be faced. He agreed, he said, with Secretary Wilson as to the desirability of a dynamic U.S. policy, but he wished this policy to be responsive to specific cases and situations.

Mr. Cutler suggested that perhaps Admiral Radford would be able to suggest such specific actions and cases. Admiral Radford replied that he would try to do so, but at first wished to go back to the problem of specifics. He then referred to the views of the Joint Chiefs of Staff, which had been expressed more than once in the recent past, on the general subject of the U.S. position upon the attainment of nuclear balance by the USSR. When this occurred, warned Admiral Radford, the Chiefs of Staff had pointed out that the relative power position of the U.S. would have so changed that the U.S. could no longer count on the Russians being afraid of starting general war. Moreover, the Joint Chiefs of Staff had pointed out that they could no longer guarantee a successful outcome for the U.S. in such a war, and had felt that they must bring these facts to the attention of the President and the National Security Council. Admiral Radford went on to say that assuming that the objectives of Soviet Communism were unchanged, the Joint Chiefs of Staff believed that some time or other the Soviet Union will elect to force the issue. Accordingly, the Joint Chiefs had concluded that the United States has only a limited period of time with which to reach an accommodation with the Communists.

Turning to the subject of specific courses of action, Admiral Radford explained that the Chiefs had felt that they could not suggest specific courses of action because such courses of action could not, in the nature of things, be exclusively military. They would also include diplomatic, political, economic, and propaganda actions. All the Chiefs could do was to guarantee that if such courses of action did result either in a limited or a full-scale war, the outcome for the United States, *prior to Soviet achievement of atomic plenty*, would be successful. All agree, said Admiral Radford, that Soviet policy since 1945 has operated at the risk of but not deliberately provoking general war, with the objective of dividing and subverting the free world. On the whole this Soviet policy had been very successful, as Indochina had already illustrated. We are now indeed witnessing the result of what might be described as lack of courage of our allies. What we can hope to retrieve in Indochina, if anything, is very debatable. Moreover, we are going to face—and perhaps within the next six months—still another situation where the Communists are certain to generate further difficulties between us and our French allies. For the situation in North Africa, confronting us with a very grave dilemma, will involve the possibility of either losing our whole position in the Middle East by offending the Arabs, or else risking the rupture of our NATO position by offending the French.

In sum, said Admiral Radford, the Joint Chiefs feel that if we continue to pursue a policy of simply reacting to Communist initiatives, instead of a policy of forestalling Communist action, we cannot hope for anything but a showdown with Soviet Communists by 1959 or 1960.

The President, again speaking with considerable forcefulness, said that he was completely unable as yet to perceive a fundamental difference in the approach to basic national security policy among the departments, despite whatever the words spelled out. On the other hand, if our present security policy was as completely futile as Admiral Radford was saying, there would obviously be no need for the Soviet Union to go to war with us; they would achieve their objectives readily enough without resort to war. Where, however, asked the President, were the real differences between the departments and agencies?

Mr. Cutler suggested that perhaps the real difference lay in what the Secretary of State had said in his report—namely, that the United States should not take actions against the Communists which were provocative of war. If we did get into war, we should try to limit such a war. Contrary to this position, Admiral Radford seemed to be calling on the United States to take greater risks of getting into war without, however, actually trying to provoke such a war.

Speaking with impatience, the President said yes, but asked where and how we got more dynamic. He still insisted that everyone really seemed to be in fundamental agreement on our basic policy.

Secretary Wilson said it was clear to him that while the United States was certainly very strong militarily, such military strength alone did not provide the answer to our problems. Even if our military power had been twice as great as it actually had been over the last two years, things would not have happened any differently in this period. For the future, the great issue was how to spend our money in the right places in defense of our national security. If we spend too little money we will invite aggression; if we spend too much money we will get into a war. This always happened when a military establishment got too big. There was a point of optimum security, insisted Secretary Wilson, which was neither too little nor too great, and it was this level which we must find. How we work out the varying difficult situations which we have inherited from the past and for which we were not responsible, was something which required careful study. The business of the Defense Department, said Secretary Wilson, was of course primarily military, and for that reason their suggestions might have the appearance of differing strongly from the suggestions of other departments. But they felt that a high-level interdepartmental group should take this problem in hand and work out the right courses of action, as the Joint Chiefs of Staff had recommended. We should list our problems and have such a group go over them one at a time and suggest the solution.

At the end of his statement, Secretary Wilson urged the Service Secretaries and the Joint Chiefs of Staff to speak their minds if they were moved to say anything on this subject.

Mr. Allen Dulles said that there seemed to be general agreement on the intelligence background of this problem, and that he agreed specifically with Admiral Radford's predictions as to the Soviets being relatively stronger in five years. In the interim they would continue to carry on the cold war, and what do we do in response? He added that he had forwarded suggestions to Director Hughes regarding improved means of mobilizing our assets in the cold-war struggle. We have all the elements we require, but there is need for a more effective organization to capitalize on them.

The President interrupted Mr. Dulles to express his hearty agreement, and the latter went on to point out that we were receiving no help from our allies in this field. . . .

The President again expressed agreement with Mr. Dulles, but insisted that what he proposed was already covered by existing and agreed U.S. policy, and no policy change was required. Mr. Dulles said that all that was needed was a "more aggressive tone".

Governor Stassen expressed the view that the Council was now moving in the direction of establishing priorities in our national security policies. First priority had formerly been accorded to the defense of Western Europe. This had largely been achieved, and first priority now must be accorded the preventing of the destruction of the United States itself through nuclear attack. Other pressing needs were for acceleration of the build-up of capital resources in underdeveloped areas of the free world, and development of an effective organization to counter Communist subversion of free countries. All the above, said Governor Stassen, were covered in existing policy papers, but not in terms of clear priorities. Moreover, organization for carrying out these policies needed to be revised. Finally, it was essential that we "sell" the European states on the proposition that the impregnability of the United States was essential for their own survival.

Secretary Wilson said that there was nothing basically the matter with our national security policies, and he personally was not "too discouraged" as to actual results. The losses we had sustained were not as great as you might think at first. The U.S. did not need more aggressive security policies, but rather more intelligent execution of those already on the books—better courses of action.

The President replied that the latter task was precisely what this body (the NSC) was here to accomplish. He once again repeated his inability to detect basic policy differences among the Council members, and added that what "we've really been talking was not policy but operations."

Mr. Cutler said that Admiral Radford had taken the position earlier that unless the U.S. undertook more positive measures against the Communist enemy, it would be isolated in the world by 1960 and wide open to Soviet attack. That much was clear. The Secretary of State's views did not reflect so pessimistic an outlook. Mr. Cutler asked Secretary Dulles if this wasn't the essential policy difference between himself and Admiral Radford.

The President again said that if we were in so precarious a position in 1960 as Defense believed, it wouldn't be necessary for the Russians to resort to nuclear attack in order to take over the United States.

Secretary Dulles denied that Mr. Cutler had accurately stated the difference of view between himself and Admiral Radford. The only way in which the views of the Joint Chiefs involved a difference with his own was that the Chiefs' paper favored the U.S. taking greater risks for bigger goals. His guess was, continued Secretary Dulles, that what the military was really advocating was that we should tell the Soviets that they must restore freedom to Czechoslovakia by a certain date "or else". Was this correct? In any event, the U.S. had already taken many risks and, except for the set-back in Indochina, with pretty good results. As Secretary

Wilson had earlier pointed out, the failure in Indochina stemmed from decisions and policies taken long ago by the French and over which we had no control and which we could not change. Thus we come back to the question of what we can do now to prevent the Soviets from achieving nuclear balance with the United States. We can't stop this by action in Indochina, nor indeed in China itself. The Joint Chiefs' views don't suggest any way of stopping it.

Mr. Cutler said that he could not answer the Secretary of State, but that perhaps Admiral Radford could.

Admiral Radford replied that he could do so only in a negative way. He explained that General Guillaume had been talking with him during his recent visit. Regarding Indochina, Guillaume had argued that it was essential for France to withdraw her troops from the area as fast as possible in order to send them to French North Africa where the situation was becoming critical. French forces in Indochina would be reduced to 125,000 by the end of January 1955. Guillaume explained that many of his country men had virtually abandoned hope of a successful outcome in South Vietnam. The Vietminh had turned out to be *real* Communists, and there was little chance of effective counteraction.

From this point General Guillaume led into the next great conflict between Communism and the free world, which would occur in North Africa. The French, he said, were determined to hold this area, and the only way to do so was to put in sufficient military force.

Admiral Radford explained that such a French policy in North Africa would be bound to cause tension between France and the United States. Guillaume replied that he realized this, but hoped that the French would be able to explain to us why such a repressive policy was necessary. In short, the French reasoned that if French Africa were lost to the Arabs, it would in short order thereafter be lost to the Western world.

So, concluded Admiral Radford, going back to the position of the Chiefs of Staff on the present paper, Guillaume's conversations seemed to him (Radford) to show clearly that the Communists are engaging in another divisive action against the free world allies, and it will present the U.S. with a serious dilemma.

Secretary Dulles then inquired of Admiral Radford how the military people would solve the problem of North Africa. Admiral Radford said they would advocate outright support of the Arabs against the French. Secretary Dulles then asked with asperity if Admiral Radford were not making a political rather than a military decision. This was the responsibility of the State Department, not the military.

The President predicted that the French were about to repeat in North Africa the serious mistakes they had made in Indochina. Military force alone would not hold these colonies.

Mr. Cutler intervened to say that this turn in the discussion led rather naturally into Topic III, "Validity of Our Collective Security System to which Major Allies throughout the World Make Equitable Contributions". He called on Secretary Dulles, who said that he had nothing to say on this topic. Mr. Cutler then asked Admiral Radford to enlarge on the point made by the Joint Chiefs of Staff with regard to the danger in the U.S. deferring to the most cautious of its allies.

Admiral Radford cited the events in Indochina last spring as a concrete illustration of the military's contention. We had in this instance in effect given Britain and France a veto on U.S. actions. North Africa will probably be a case of the same sort. This would play into the hands of the Commies, who desire either to destroy NATO by splitting France from the U.S., or else to destroy our whole position in the Middle East by splitting the Arabs from the U.S.

Mr. Cutler reminded Admiral Radford of the contents of our North African policy, but the latter expressed strong doubt that the French would solve their problem in North Africa by giving a larger degree of freedom to the Arabs.

With respect to North Africa, Secretary Dulles reiterated feelingly that it was basically a political problem and therefore the business of the State Department. Moreover, he questioned in any case whether Admiral Radford's solution was correct. It was a most serious problem which it was State's business to think through. To tell the French today that the U.S. would give full support to the Arab position on North Africa would undoubtedly result in French refusal to ratify the London and Paris accords. This in turn would end all hope of German rearmament, on which he understood the Chiefs of Staff to place great store. Once again, he insisted, this was the business of the State Department, not the Defense Department.

Admiral Radford said in effect that he was not intent on invading the prerogatives of the State Department, and had only reluctantly picked out North Africa in response to Mr. Cutler's "admonition" to cite an illustration of the U.S. tendency to defer to the most timid of its allies.

After further discussion of the situation in North Africa, Secretary Wilson brought the conversation back to Indochina. He said that while of course he was very disappointed in the results, he did not feel quite as Admiral Radford did as to our "faint-hearted allies". The British and Canadians were not timid. They simply didn't think it was "smart" to team up with the French in an Indochina war because French policies in this area had been wrong for many years back. The results of past errors made the situation hopeless. The French *should* have been able to defeat the Vietminh in strict military terms, but there was no "cause" to which the French could rally the native population.

Mr. Cutler then suggested that the Council turn to Topic IV, "General Character of U.S. Economic and Military Assistance". After summarizing the written suggestions of Governor Stassen and Mr. Streibert (U.S.I.A.) on the subject, Mr. Cutler asked Governor Stassen if he wished to add anything. The latter replied that Mr. Cutler had stated his position very well. The number of divisions which the nations of the free world had on the ground was now less important as a result of the introduction of the nuclear element. Empahsis must therefore be shifted to capital development in these countries. Also we must get our more prosperous allies to assist us to assist the underdeveloped areas of the free world. In conclusion, Governor Stassen said he also accepted the point made by the U.S.I.A.: economic development alone would not do the job of saving these areas from Communism.

Mr. Streibert said that he had nothing to add to his written suggestions.

Admiral Radford explained that the Joint Chiefs of Staff would like to defer for a time any positive recommendations on the topic. But he very much doubted if we had yet reached the point where we could run the serious risk of cutting down significantly on the military buildup of the free world nations. Citing Turkey and Portugal's requests for additional military assistance, he indicated that he thought the U.S. too far committed to most of its military aid programs to be able to withdraw gracefully before completion of the programs.

Governor Stassen admitted that there were exceptions, and that Turkey might well be one. But was the 20-division program for Korea wise? Should it not be scaled down. The same solution might well result from General Collins' recommendations on South Vietnam. The economic implications of these large, modernized, military establishments were tremendous, and it was necessary to establish a sound balance between economic and military requirements.

Admiral Radford replied that he was well aware of the heavy cost to the U.S. of supporting these extensive military assistance programs. It would perhaps be possible to reduce the current level of the South Korean armed forces because if war again broke out there, it would not be conducted as had the earlier one. However, the South Koreans objected strongly to the redeployment of U.S. divisions. By and large, concluded Admiral Radford, he could not see how we could reduce the force goals of our allies around the world at this time.

Governor Stassen stated that balance is what must be achieved in these assistance programs.

Mr. Cutler then turned to Topic V, "The Mobilization Base", and asked Dr. Flemming if he had any further views. The latter replied that on the second of his two written suggestions, he merely wanted to reemphasize. The first suggestion was scheduled for discussion by the Council next week and he would withhold comment at this time.

Mr. Hughes inquired with respect to the first point (steps to provide adequate capacity for production of new-type weapons at the rate that would be required immediately following M-Day) whether substantial progress had not already been made. Dr. Flemming did not believe the progress could be called really substantial.

Secretary Wilson commented that when he first came to Washington, it had been clear to him that no one had thought through how you maintained a mobilization base after the orders for materials ran out. This and other areas of the mobilization base needed further study, and Secretary Wilson was sure we could greatly improve our present position.

Mr. Cutler then turned to Topic VI, "Fiscal Policy", and described the suggestions of Dr. Burns [10] as "refreshing for their specificity". The President interrupted to say that here again we should take account of the meaning of the words and not the words themselves. We are all already in agreement with Arthur's first point. Dr. Burns said that he had nothing more to add.

Mr. Cutler pointed out that Topic VII ("Additional Counter-Subversive Activity") had already been covered in earlier discussion.

On Topic VIII ("New Objective"), Mr. Cutler read to the Council a synthesis of the President's speech in New York, October 20, 1954, [11] recast in the form of a basic policy formulation. The only comment was from the President, who said that if his favorite authors were quoted in an NSC policy statement, a credit line should be included (laughter).

Mr. Cutler pointed out that Topic IX ("East-West Trade") would be considered at next week's Council meeting. Governor Stassen, however, asked to say a word now. He felt it was obvious that the

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[10] Reference is to Arthur F. Burns, Chairman of the Council of Economic Advisers. Burns' "suggestions" under reference have not been found; but see footnote 1, p. 784.

[11] Reference is to the President's address at the American Jewish Tercentenary Dinner, New York City, Oct. 20, 1954, printed in the *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1954*, pp. 920-928.

U.S. could not "sit still" on this problem of East-West trade, particularly as respected Communist China. We cannot long maintain our demands for a virtual embargo. The longer we remain sitting, the worse it will be for our interests. We will lose our friends and at the same time fail to make any kind of deal with our enemies. The restrictions on free world trade with Communist China would eventually have to come down to the level of the restrictions against such trade with the European Soviet bloc.

Secretary Dulles said that he had considerable hesitation about relaxing restrictions on trade with Communist China at this moment.

Mr. Cutler then inquired whether he could assume that the Council desired the NSC Planning Board to produce a revised basic national security policy reflecting the views expressed at the meeting.

Governor Stassen inquired whether there was not room in our policy for greater emphasis on ways and means of dividing the Soviet bloc.

The President summarized his view that our national security policies were now well-stated. What he wanted, in addition, was advance identification on problems that were coming up. Perhaps a study by government people or by foundations like that at 68th and Park (Council on Foreign Relations) could anticipate such problems and list possible solutions to them. In any case, said the President, he was tired of abstractions; they got him down.

Governor Stassen said that the Council should focus its undivided attention on three prime points:

1. To see to it that the USSR never got in a position to knock out the U.S.
2. To see to it that the Soviets could seize no further free world territory without an act of *overt* aggression.
3. To study how to put strains on the Soviet bloc in order to cause dissension and to divide the bloc.

Secretary Wilson asked about the JCS recommendation for a high-level interdepartmental group to recommend courses of action to carry out the objectives of our revised basic security policy. The President said he would consider this recommendation and talk it over later with Admiral Radford and Secretary Wilson. Secretary Dulles said that he supposed that it was the specific function of the NSC Planning Board to recommend courses of action. Secretary Wilson said that this case was a little different. The group recommended by the JCS conceived the problem as more operational than policy-forming, and of the group itself as an "action committee".

The National Security Council: [12]

a. Discussed the subject on the basis of the suggestions thereon of the Secretary of State (reference memorandum dated November 17), the Secretary of Defense and the Joint Chiefs of Staff (reference memorandum dated November 22), the Director, Foreign Operations Administration (reference memorandum dated November 19), the Director, Office of Defense Mobilization (reference memorandum for General Cutler, dated November 19), the Director, U.S. Information Agency (reference memorandum dated November 22), the Chairman, Council of Economic Advisers (reference memorandum dated November 22), and the Director of Central Intelligence (reference memorandum dated November 19); as orally summarized by topic at the meeting by Mr. Cutler.

b. Directed the NSC Planning Board to prepare for early Council consideration a restatement of basic national security policy in the light of the above-mentioned suggestions and discussion.

c. Discussed the desirability of a study, by governmental and private organizations, of specific measures which might be taken during the next few years before the achievement of mutual nuclear plenty to increase the determination and cohesion of the free world and to weaken and if possible divide the Soviet bloc, at the risk of but without being provocative of war.

Note: The action in c above subsequently submitted to the President for consideration.

2. *Continental Defense* (Progress Reports, dated November 16, 1954, by the Department of the Treasury, the Office of Defense Mobilization, the Atomic Energy Commission, and the ICIS-IIC, on NSC 5408 [13])

Mr. Cutler briefed the Council in detail with respect to the subject, generally along the lines indicated in his "Briefing Note" dated November 20, 1954 (copy filed in the minutes of the meeting). [14]

Mr. Cutler indicated, with respect to the ODM Progress Report, that the Planning Board was of the firm view that a clear and commonly understood civil attack warning program should be established at the earliest possible date. Dr. Flemming agreed with this point, stating that he thought, as a result of recent conferences which he had held with Governor Peterson and General Chidlaw, that the desired objective could soon be achieved. Dr. Flemming mentioned that such a program must be tied in with the National Indications Center. Mr. Allen Dulles stated that a directive would soon go out which would have the effect of activating the National Indications Center with headquarters in the Pentagon.

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[12] Paragraphs a–c constitute NSC Action No. 1272. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

[13] The progress reports under reference are in S/S–NSC files, lot 63 D 351, NSC 5408 Series. NSC 5408, Feb. 11, is printed on p. 609.

[14] Briefing note not found.

Dr. Flemming stated, with respect to Mr. Cutler's briefing on the status of emergency relocation, that he wouldn't want the impression left with the Council that there was not now in existence an approved operating procedure for giving warning to the emergency relocation forces of the Executive Branch. He said there was in fact an operating procedure in existence, but it was of such a nature that it ought to be changed.

After Mr. Cutler briefed the Council with respect to the Planning Board's consideration of the highlights of the Progress Reports submitted by ODM, FCDA, AEC, Treasury, and IIC-ICIS, he called upon Mr. Sprague, the Council's Consultant on Continental Defense. Mr. Sprague thereupon read to the Council his report on the subject dated November 24, 1954 (copy filed in the minutes of the meeting; [15] copies were not distributed at the Council meeting). Mr. Sprague then read a two-page supplementary memorandum which he suggested the Council might consider in reference to a one-page chart which he had prepared for the purpose of pointing up some personal views which he had formulated following his thirteen months study of the subject. (Copy of the above-mentioned memorandum and chart filed in the minutes of the meeting; [16] copies of the memorandum were not distributed at the meeting; copies of the chart were distributed and recalled at the end of the meeting.)

The President, upon the completion of Mr. Sprague's presentation, indicated that, as usual, he was very grateful for the excellent services which Mr. Sprague had performed in this highly important field. The President made particular reference to the above-mentioned chart, stating that it was one of the most useful types of information that could possibly be put before the NSC.

The National Security Council: [17]

a. Noted and discussed the reference Progress Reports and the Progress Report by the Department of Defense on the subject distributed at the meeting.

b. Adopted the following recommendations by the NSC Planning Board:

> (1) Early establishment of a basic program to insure the existence of a clear, effective, and commonly understood means for communicating timely warnings of impending attacks, as well as appropriate guidance as to the steps to be taken on re-

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[15] Report not found.

[16] Memorandum not found.

[17] Paragraphs a-e constitute NSC Action No. 1273. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

ceipt of such warnings by (a) the President and his immediate entourage, (b) personnel of the essential wartime functions of the Executive Branch, and (c) the general civil population.

(2) Consideration of additional statutory authority to insure that State and local civil defense agencies adopt plans and programs consistent with the guidance furnished them pursuant to (1) above.

(3) Press for legislation (similar to that recommended to the 83rd Congress) to provide payment of rewards as an inducement for defectors and informants to supply information leading to the recovery or acquisition of nuclear weapons or fissionable material illegally introduced or attempted to be introduced into the United States.

(4) Provide that the next Progress Reports on Continental Defense cover the period through April 15, 1955, to be submitted to the NSC Staff by May 20, 1955.

c. Noted the Report by Mr. Sprague, Consultant to the NSC, with reference to the above-mentioned Progress Reports and the report by the Net Capabilities Evaluation Subcommittee presented at the 222nd meeting of the Council (NSC Action No. 1260).[18]

d. Agreed that Recommendations Nos. 1 through 7 in the report by Mr. Sprague should be referred to the Secretary of Defense for consideration.

e. Agreed that Recommendation No. 8 in the report by Mr. Sprague should be referred to the organizational machinery to insure a continuous evaluation of net capabilities, as determined by the President pursuant to NSC Action No. 1260–b.

Note: The action in b above, as approved by the President, subsequently transmitted as follows for implementation:

b–(1): Director, ODM, and the Federal Civil Defense Administrator, in consultation with the Department of Defense, the Central Intelligence Agency, and other appropriate agencies.

b–(2): Federal Civil Defense Administrator.

b–(3): The Attorney General.

b–(4): Departments and agencies responsible for reporting on the various elements of continental defense.

The action in d above, as approved by the President, subsequently referred to the Secretary of Defense.

(*Note:* The summary of the discussion on Item 2 above was written by Mr. J. Patrick Coyne, NSC Representative on Internal Security.)

S. Everett Gleason

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[18] For documentation on the Net Capabilities Evaluation Subcommittee, see pp. 845 ff.

Editorial Note

On November 30 a committee composed of Max Millikan of the Center for International Studies (Massachusetts Institute of Technology), Richard Bissell of the Central Intelligence Agency, Walter J. Stoessel, Jr., of the Department of State, Randolph V. Zander of the Department of Defense, and Tilghman B. Koons, Executive Secretary Member of the Special Staff of the NSC, submitted to Robert Cutler a 71-page "Report on the Exploitation of Soviet Vulnerabilities". The committee had been formed pursuant to a memorandum of August 13, 1954 from Cutler to the Under Secretary of State, the Deputy Secretary of Defense, and the Director of Central Intelligence. For documentation on the report under reference, see volume VIII.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 227th Meeting of the National Security Council, Friday, December 3, 1954 [1]

[Extract]

TOP SECRET EYES ONLY

The following were present at the 227th meeting of the National Security Council: The President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Director, Bureau of the Budget; the Chairman, Council of Economic Advisers (for Item 2); Assistant Secretary of Defense McNeil (for Item 2); Assistant Secretary of Defense Hensel (for Item 2); the Secretary of the Army (for Item 2); the Secretary of the Navy (for Item 2); the Acting Secretary of the Air Force (for Item 2); the Deputy Director, FOA (for Item 2); the Deputy Director, Bureau of the Budget (for Item 2); Mr. John H. Ohly, FOA (for Item 2); the Chairman, Joint Chiefs of Staff; the Chief of Staff, U.S. Army; the Acting Chief of Naval Operations (for Item 2); the Chief of Staff, U.S. Air Force (for Item 2); the Commandant, U.S. Marine Corps (for Item 2); the Director of Central Intelligence; Robert Cutler, Special Assistant to the President; the Deputy Assistant to the President; the White House Staff Secretary

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[1] Drafted by Deputy Executive Secretary Gleason on Dec. 4.

(for Item 2); the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

1. *Review of Basic National Security Policy* (NSC Action No. 1272) [2]

Mr. Cutler called on General Ridgway to make his presentation. General Ridgway pointed out that he was making known his individual views concerning existing over-all basic national security policy by instruction of the President transmitted to him by Mr. Cutler. He then proceeded to read his report (copy filed in the minutes of the meeting [3]).

At the conclusion of the report the President asked if there were any questions to be asked of General Ridgway. There being none, the President thanked the Chief of Staff, and General Ridgway left the Cabinet Room.

The President then commented that one of the points that General Ridgway had dwelt on in his statement was one with which he, the President, was living all the time—namely, what do you do with the world after you have won victory in such a catastrophic nuclear war? The President went on to say that General Ridgway appeared to believe that if the United States didn't resort to nuclear attack in general war, the Russians in turn would not use such weapons, and the President said he did not believe any such thing. Furthermore, said the President, he had a strong feeling that General Ridgway was sincere in his view of the need for balanced U.S. military forces rather than reliance upon atomic retaliatory capacity. In other words, thought the President, General Ridgway was not merely presenting a "parochial" Army viewpoint. On the other hand, said the President, the United States could not afford to prepare to fight all kinds of wars and still preserve its free economy and its basic institutions.

Secretary Wilson said that we must not quarrel over words. Ordinary fission weapons have a quite different effect from thermonuclear weapons. Moreover, if we swept over Soviet Russia and China with vast land armies we would have the same or similar problems as those outlined by General Ridgway as constituting the bitter aftermath of a nuclear war. The President thought not quite the same problems. Secretary Wilson also underlined the importance of the time factor in another war. He said he could not conceive of sending millions of American troops to fight in Europe while the

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[2] For NSC Action No. 1272, see footnote 12, p. 800.

[3] Report not found. For information on minutes of NSC meetings, see footnote 1, p. 394.

United States itself was under atomic attack. For one thing, it would be impossible to get them across the ocean.

Secretary Wilson also indicated that this was a split in views among the Joint Chiefs of Staff, and that General Ridgway was making a justification for a much larger Army. It was quite proper for General Ridgway to advocate larger Army forces, but the Council should recognize what it was hearing. In fact, said Secretary Wilson, he would not want to have a Chief of Staff of the Army who did not fight for the objectives and requirements of his Service.

Governor Stassen inquired whether it would be fruitful to have a special group undertake to make a study of the difficult problem which General Ridgway had underlined and on which the President had commented—namely, how to organize the victory after the end of a nuclear war—how the U.S. could rebuild a shattered world without destroying its own economy.

Secretary Wilson thought that such a study would be worthwhile because, among other reasons, if you put some of the measures which would result from the study in effect now you might have a better chance of avoiding a third world war.

Secretary Humphrey, speaking with great force, said there was a three-fold difference between the view presented by General Ridgway and the views held by the rest of us. First, General Ridgway started with the one-sided premise that the whole effort should be directed to maintaining the U.S. military posture, with little or no regard for the maintenance of the U.S. economy. The President thought that this did something less than justice to General Ridgway's views.

Secondly, said Secretary Humphrey, General Ridgway was also clearly wrong in his assumption that if the United States did not resort to nuclear warfare the Russians would not. The President said he agreed with Secretary Humphrey on this point, although it was significant that in World War II the Germans had not resorted to the use of poison gas. Even Hitler was too horrified at the prospect of gas warfare when he hesitated to use gas, and, of course, he also feared that the allies would retaliate with something as bad or worse. There were some, said the President, who believe that modern warfare imposes its own limitations.

His third point, said Secretary Humphrey, was that General Ridgway was arguing in favor of all kinds of forces designed to fight all kinds of war at all times. For the United States to maintain such forces was absolutely impossible.

The President stated that our only chance of victory in a third world war against the Soviet Union would be to paralyze the enemy at the outset of the war. Since we cannot keep the United

States an armed camp or a garrison state, we must make plans to use the atom bomb if we become involved in a war. We are *not* going to provoke the war, and that is why we have got to be patient. If war comes, the other fellow must have started it. Otherwise we would not be in a position to use the nuclear weapon, and we have got to be in a position to use that weapon if we are to preserve our institutions in peace and win the victory in war.

Governor Stassen said he doubted the entire validity of General Ridgway's thesis that we would draw down upon ourselves the hatred of most of mankind if we resorted to atomic warfare. History showed that the great hatreds were engendered in the post-war period rather than during the time of the actual conflict.

The National Security Council: [4]

Noted and discussed the individual views of the Chief of Staff, U.S. Army, on the subject, as orally presented at the meeting.

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S. EVERETT GLEASON

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[4] The following paragraph constitutes NSC Action No. 1279. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

S/S-NSC files, lot 63 D 351, NSC 5440

Draft Statement of Policy Prepared by the National Security Council Planning Board [1]

TOP SECRET [WASHINGTON,] December 13, 1954.
NSC 5440

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON BASIC NATIONAL SECURITY POLICY

References:

A. NSC 162/2 [2]

B. NSC 5422/2 [3]

C. Memo for NSC from Executive Secretary, subject "Summary Statement of Existing Basic National Security Policy", dated October 11, 1954 [4]

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[1] Copies to the Secretary of the Treasury; the Attorney General; the Directors of the Bureau of the Budget and Central Intelligence; the Chairmen of the Atomic Energy Commission, the Council of Economic Advisers, and the Joint Chiefs of Staff; and the Federal Civil Defense Administrator.

[2] Dated Oct. 30, 1953, p. 577.

[3] Dated Aug. 7, p. 715.

[4] *Ante*, p. 738.

D. NSC Actions No. 1251, 1272, 1279 and 1286 [5]
E. NIE 11-4-54, NIE 11-6-54 [6]

The enclosed tentative draft statement of policy on the subject, prepared by the NSC Planning Board, pursuant to NSC Action No. 1272-b, is transmitted herewith for preliminary discussion by the National Security Council at its meeting on December 21, 1954. [7]

It is the President's desire that this preliminary Council discussion of the enclosed tentative draft take place before delivery to the Congress of the State-of-the-Union Message. It is recognized that, particularly because of the absence of certain Council members at the NATO meetings in Europe during the week preceding December 21, there may not be sufficient opportunity before that Council meeting for thorough departmental review of the enclosed tentative draft. Accordingly, the President has approved that final Council action on the enclosed draft may be deferred to the first Council meeting in January 1955. The President, however, wishes the Council members and advisers, including the Joint Chiefs of Staff, to be prepared with their tentative views on the enclosed draft at the December 21 meeting, reserving final expression of their views if desired until the January meeting.

The enclosed draft statement of policy, in the form finally adopted and approved, is intended to supersede NSC 162/2 and NSC 5422/2, and to constitute the basic guide in the implementation of all other National Security policies, superseding any provisions in such other policies as may be in conflict with this basic policy.

JAMES S. LAY, JR.

[Here follows a one-page table of contents.]

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[5] For information on NSC Action No. 1251, see footnote 3, p. 738. For NSC Action No. 1272, see footnote 12, p. 800; for NSC Action No. 1279, see footnote 4, *supra*. NSC Action No. 1286, taken at the 228th meeting of the NSC on Dec. 9, noted President Eisenhower's views that increased emphasis should be given to measures for continental defense, technological advances in guided missiles and other weapons, and increased readiness and combatworthiness of the reserve forces. It also noted the President's decision to establish a total personnel strength for the armed forces of 2,940,000 by June 30, 1955 and of 2,815,000 by June 30, 1956. (S/S-NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

[6] Extracts from NIE-11-4-54, "Soviet Capabilities and Probable Courses of Action Through Mid-1954", are scheduled for publication in volume VIII. NIE-11-6-54, "Soviet Capabilities and Probable Programs in the Guided Missile Field" is not printed.

[7] For the memorandum of discussion at the 229th meeting of the NSC, Dec. 21, see p. 832.

[Enclosure]

Draft Statement Prepared by the National Security Council Planning Board

TOP SECRET [WASHINGTON,] December 14, 1954.

BASIC NATIONAL SECURITY POLICY

SECTION A

ESTIMATE OF THE SITUATION

The Soviet-Communist challenge, including the approach of the USSR to nuclear plenty, constitutes a peril greater than any the United States has ever before faced.*

I. *Relative Communist Bloc and Free World Capabilities*

1. Soviet air-atomic capabilities are rapidly increasing. Already the USSR has the capacity to inflict widespread devastation on major free world countries allied to the U.S. and serious damage to the U.S. itself. Over approximately the next five years the USSR will almost certainly develop the *net* capability to strike a crippling blow at the United States.†

2. At present the U.S. can inflict massive damage on the Communist bloc by nuclear striking power. Even when the USSR arrives at the point where it can strike a crippling blow at the U.S., the U.S. will still be able to inflict equal or greater damage on the USSR, provided that it takes adequate measures to protect its effective retaliatory power.

3. The Soviet guided missile program, over the next few years will bring increasingly longer-range missiles into production. Assuming an intensive effort, the USSR may develop roughly by 1963 (1960 at the earliest) operational intercontinental ballistic missiles. The U.S. program for missiles of this type should approximate this timetable, provided that intensive effort continues. There is no known defense against such missiles at this time.

4. Thus a situation is approaching in which a total war involving use by both sides of available weapons would bring about such extensive destruction as to threaten the survival of both Western civ-

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*The Director of the Bureau of the Budget believes the extent of the present Soviet-Communist challenge is not susceptible to categorical judgments of this nature and recommends deletion of the statement. [Footnote in the source text.]

†The Director of the Bureau of the Budget notes that the *net* capability estimate prepared by the Net Capabilities Evaluation Subcommittee in accordance with NSC 5423 did not cover the period beyond July 1, 1957. [Footnote in the source text. For documentation on the Net Capabilities Evaluation Subcommittee and on NSC 5423, see pp. 845 ff.]

ilization and the Soviet system. This situation could create a condition of mutual deterrence, in which each side would be strongly inhibited from deliberately initiating general war or taking actions which it regarded as materially increasing the risk of general war. In any case, war would remain a possibility, if only because of the element of miscalculation by either side or because of a technological break-through by the Soviets leading them to believe they could destroy the U.S. without effective retaliation.

5. The Communist bloc will maintain and further develop formidable conventional forces, with improved combat effectiveness and a large increase in submarines. The principal limitations will be logistic problems and deficiencies in specialized experience, training and equipment.

6. The free world can make substantial progress in building military strength through the continued improvement of NATO forces, the introduction of West German units, some Japanese rearmament, and the progressive development of new weapons systems and of production facilities. Introduction of nuclear weapons into the NATO defense system on the basis of agreed policy will be of crucial importance. *Provided that* it has the will to do so, the free world coalition has the capacity to maintain sufficient armed strength, along with U.S. strategic nuclear striking power, to constitute a major deterrent to Communist military aggression and to maximize the chances of dealing effectively with such aggression if it should occur.

7. The stability of the USSR and its hold over the European satellites are unlikely to be seriously shaken over the next few years, despite measures which the U.S. may find it feasible to take to weaken Soviet control. However, the control system of the USSR will continue to be faced with important problems (such as discontent in the satellites, agricultural difficulties, and pressures for satisfying consumer wants), some of which may be susceptible to a limited degree of exploitation from outside.

8. Communist China is likely to continue vigorous and cohesive, but will face internal problems much greater than those of the USSR. The Sino-Soviet tie probably will remain strong for the next few years not only for ideological reasons but also because it furthers the purposes of both parties.

9. In absolute terms, the growth of the U.S. economy should be greater than that of the USSR, and U.S. productive capacity in 1959 will still be more than twice that of the USSR. Nevertheless, the economic growth of the USSR can be expected to continue at a rate considerably higher than that of the U.S. or of other major free world countries. The difference in growth rates will probably be even greater in the industrial sector, despite some increased

Soviet emphasis on agriculture and consumer goods. Moreover, the USSR will be devoting to capital investment, and to uses contributing to war potential, a much greater proportion of its resources.

10. Soviet economic progress will be for many peoples with lower living standards an impressive example, and will probably constitute an important element in spreading Soviet influence, especially in Asia. Communist China, if its industrialization continues as expected at a rate relatively rapid as compared with that of other Asian countries, will also exert considerable attractive forces on Asian peoples, especially if economic improvement in free Asia is slow or non-existent.

11. The existing structure of U.S. alliances can probably be maintained, and may possibly be extended, particularly in the Middle East. However, there will be serious strains on these alliances, especially the ties between the U.S. and its major allies, resulting from growing fears of atomic war on the part of the allies, differing attitudes on China, and greater receptivity by the allies to Soviet overtures. Our allies will probably be more reluctant than the U.S. to participate in actions which appear to them to involve appreciable risks of war in order to prevent further Communist advances in areas which do not directly involve their vital interests.

12. Underdeveloped countries will continue to be a major source of weakness in the position of the free world, owing to such factors as political instability, economic backwardness, extreme nationalism, and the colonial issue. The dangers of subversion will be great, especially in countries under the shadow of Communist power and subject to direct Communist pressures and intervention. In Southeast Asia the present situation is extremely precarious. Failure of the free world to deal more effectively with the problems of underdeveloped areas will weaken the free world and benefit international communism, even in countries where actual Communist take-over is not imminent.

13. As the lines between the Communist bloc and the Western coalition have come to be more clearly drawn over the last few years, a situation has arisen in which any further Communist territorial gain would have an unfavorable impact within the free world that might be out of all proportion to the strategic or economic significance of the territory lost.

II. *Probable Soviet and Chinese Communist Intentions and Strategy*

14. The USSR has not modified its basic hostility toward the non-Communist world, and especially toward the U.S. as the power center of that world, or its belief in the ultimate triumph of Communism. The Soviet leaders can be expected to seek constantly, by every means they find advantageous, to extend Communist power

and to weaken those forces, especially U.S. power and influence, which they regard as inexorable enemies of their system. However, they will almost certainly avoid pursuing their long-term goals in ways which jeopardize the security of the regime or their control of the Communist bloc. Soviet objectives can be listed as follows, in descending order of importance:

a. The security of the regime and of the USSR.
b. Maintaining the Soviet hold on the European satellites, and keeping China within the Communist bloc.
c. Elimination of U.S. influence from Eurasia, and the isolation of the U.S.
d. Expansion of Soviet Communist power throughout Eurasia.
e. Elimination of the U.S. as a competing power center.
f. The spread of Communism throughout the world.

15. Communist China remains bitterly hostile to the U.S., and ostensibly committed to the conquest of Formosa. It will attempt to expand its power on the mainland of Asia and to expel U.S. power and influence therefrom. In pursuit of this end, it probably will place primary emphasis on penetration and support of subversion in neighboring countries.

16. Provided that the U.S. and free world have at all times an adequate military posture and the necessary determination, it appears unlikely that, within the next five years, the USSR or Communist China will deliberately initiate war, or engage in overt military aggression if in its judgement such aggression would involve appreciable risk of war with the U.S.‡ They will try to avoid courses of action which in their judgment will clearly involve such risk. However, they probably would not be deterred by the risk of general war from taking military counteraction against Western actions considered to be an imminent threat to their security. Moreover, general war might occur as the climax of a series of actions and counteractions which neither side originally intended to lead to that result.

17. The Soviet switch to a "soft" line, since the death of Stalin and increasingly in recent months, is a significant new factor in the situation. The Soviet leaders almost certainly regard this "peace offensive" as their most effective present tactic for dividing the free world and isolating the U.S. from its allies. A principal aim is to prevent the rearmament of West Germany in association

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‡ An important possible exception to this estimate is a Chinese Communist attack on Formosa and the Pescadores. The Chinese Communists will almost certainly increase their probing actions against the Nationalist-held off-shore islands and will probably try to seize them, if they believe this can be done without bringing on major hostilities with the U.S. A further possibility of Communist aggression is a Viet Minh attack on South Vietnam in the event the 1956 elections are blocked by Western action. [Footnote in the source text.]

with the Western powers. If this attempt fails, the Soviets may revert to a more uncompromising and menacing posture. The current "soft" line may also be motivated, however, by domestic preoccupations and fear of general war, and the Soviets may therefore desire an extended period of reduced tensions. Even should that be the case, Soviet policy will mainly seek tacit understanding not to resort to force to change the present territorial division between the Communist bloc and the free world. In any event, whatever Soviet concessions are made will, for some time, almost certainly be confined to relatively minor issues. Although it appears very unlikely, the Soviet leaders might be led by the fear of nuclear destruction to accept an effective system of armaments control, with whatever changes would thereby be required in their present practices and concepts.

18. If the Soviet "soft" line is not reversed, our allies will be eager to explore it seriously, and will probably wish, in seeking a basis of "coexistence", to go to further lengths than the U.S. will find prudent. Even if the USSR offers no real concessions, these tendencies will probably persist, supported by large segments of public opinion. It will be a major task, therefore, to maintain the necessary unity and resolution in the free world coalition if the Soviet "peace offensive" continues.

19. Despite the talk of "coexistence", the Communist powers will continue strenuous efforts to weaken and disrupt free-world strength and unity and to expand the area of their control, principally by subversion (including the support of insurrection), while avoiding involvement of the main sources of Communist power. This strategy will probably present the free world with its most serious challenge and greatest danger in the next few years.

20. Attainment by the USSR of the capacity to inflict crippling damage on the U.S. almost certainly would not tempt the Soviets to initiate general war, unless they believed that they could neutralize, or by initial surprise could destroy, U.S. retaliatory power before it could be used. They will continue to be extremely reluctant to precipitate a contest in which the USSR would be likely to be subjected even to limited nuclear attack. After attaining atomic plenty, however, the Communist powers probably will increase the pace of their attempts at progressive local expansion, supported by force or threat of force, provided they estimate that such action can succeed and will not provoke U.S. counteraction involving appreciable risk of general war.§

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§ State, Treasury and Budget members believe that the sentence should read: Even after attaining atomic plenty, the Communist powers probably will not attempt progressive local expansion, supported by force or the threat of force, unless

Continued

SECTION B

OUTLINE OF U.S. NATIONAL STRATEGY

21. *The basic objective* of U.S. national security policy is to preserve the security of the United States, and its fundamental values and institutions [without seriously weakening the U.S. economy.] ||

22. *The basic threat* to U.S. security is posed by the hostile policies and power, including growing nuclear power, of the Soviet-Communist bloc, with its international Communist apparatus.

23. *The basic problem* confronting the U.S. is how, without undermining fundamental U.S. values and institutions or seriously weakening the U.S. economy to meet [and for the future to keep within] ¶ [and ultimately to diminish to] ** acceptable proportions this threat to U.S. security.

24. The Soviet bloc–free world conflict can be resolved in accordance with U.S. security interests only through either (a) overthrow of the Soviet regime and its replacement by a government with no expansionist or other objectives inconsistent with U.S. security; or (b) modification of the Soviet system so that its leaders for practical purposes abandon expansionist policies and accept either formal or *de facto* arrangements consistent with U.S. security interests.

25. The U.S. and its allies have no foreseeable prospect of stopping the growth of Soviet nuclear capabilities and of reducing Soviet armed strength—the core of Communist power— [or of significantly reducing other basic Communist military strength,] †† except by mutually acceptable agreements with the Soviets or by large-scale military action. The initiation by the U.S. of such action for this purpose is not an acceptable course either to the U.S. or its major allies.

26. Hence, U.S. policies must be designed to affect the conduct of the Communist regimes, especially that of the USSR, in ways that further U.S. security interests and to encourage tendencies that lead them to abandon expansionist policies. In pursuing this general strategy, our effort should be directed to:

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they estimate that (1) such methods can succeed and will not provoke U.S. counteraction involving appreciable risk of general war, and (2) fear of atomic war will drive the allies of the U.S. in the direction of neutrality toward or appeasement of the USSR. [Footnote in the source text.]

|| Proposed by Treasury and Budget. [Footnote and brackets in the source text.]

¶ State, Treasury, CIA and Budget proposal. [Footnote and brackets in the source text.]

** Defense, JCS, FOA and ODM proposal. [Footnote and brackets in the source text.]

†† State, Treasury, CIA and Budget proposal. [Footnote and brackets in the source text.]

a. Deterring further Communist aggression, and preventing the occurrence of total war so far as compatible with U.S. security.

b. Maintaining and developing in the free world the mutuality of interest and common purpose, and the necessary will, strength and stability to face the Soviet-Communist threat and to provide constructive and attractive alternatives to Communism, which sustain the hope and confidence of free peoples.

c. Fostering changes in the character and policies of the Communist regimes by making clear to them available alternatives which are in their basic interests and do not conflict with those of the U.S. and by exploiting differences between such regimes in ways consistent with this strategy.

27. To carry out effectively this general strategy will require a flexible combination of military, political, economic, propaganda, and covert actions which enables the full exercise of U.S. initiative. These actions must be so coordinated as to reinforce one another.

28. Provided that it is resolutely pursued, this general strategy offers the best hope of bringing about at least a prolonged period of armed truce, and ultimately a peaceful resolution of the Soviet bloc-free world conflict and a peaceful and orderly world environment. Failure resolutely to pursue this general strategy could, within a relatively short span of years, place the U.S. in great jeopardy.

SECTION C

ELEMENTS OF NATIONAL STRATEGY

I. *Military Problem*

29. A central aim of U.S. policy must be to deter the Communists from use of their military power [while remaining prepared to fight general war should one be forced upon the U.S.].‡‡ This stress on deterrence is dictated by the disastrous character of total nuclear war, the possibility of local conflicts developing into total war, and the serious effect of further Communist aggression. Hence the Communist rulers must be convinced that aggression will not serve their interests: that it will not pay.

30. If this purpose is to be achieved, the U.S. and its allies in the aggregate will have to have, for an indefinite period, military forces with sufficient strength, flexibility and mobility to enable them to deal swiftly and severely with Communist overt aggression in its various forms and to cope successfully with general war should it develop. In addition, the U.S. and its major allies must show that they are united in their determination to use military force against such aggression.

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‡‡Proposed by Defense and JCS; thought by others to be covered in par. 30 *et seq.* [Footnote and brackets in the source text.]

31. As part of its military forces, the U.S. must develop and maintain its effective nuclear-air retaliatory power, and must keep that power secure from neutralization or from a Soviet knockout blow, even by surprise. So long as the Soviets are uncertain of their ability to neutralize this power, there is little reason to expect them to initiate general war or actions which they believe would carry appreciable risk of general war, and thereby endanger the regime and the security of the USSR.

32. In addition to its nuclear-air retaliatory power, the United States will have to have other ready forces. These forces, together with those of its allies, must be sufficient (a) to help deter any resort to local aggression, or (b) to punish swiftly and severely any such local aggression, in a manner and on a scale best calculated to avoid the hostilities broadening into total nuclear war. Such ready forces will be in addition to those assigned to NATO; must be suitably deployed, highly mobile, and equipped as appropriate with atomic capability; and must also, along with those assigned to NATO, be capable of discharging initial tasks in the event of general war.

33. Such a policy is predicated upon the support and cooperation of appropriate major allies and certain other free world countries, in furnishing bases for U.S. military power, especially strategic air, and in providing their share of military forces. To succeed, the basic strategy and policy of the U.S. must be believed by our appropriate major allies generally to serve their security as well as ours. Thus, it is important for the United States to take the necessary steps to convince them that such is the case.

34. The ability to apply force selectively and flexibly will become increasingly important in maintaining the morale and will of the free world to resist aggression. As the fear of nuclear war grows, the United States and its allies must never allow themselves to get into the position where they must choose between (a) not responding to local aggression and (b) applying force in a way which our own people or our allies would consider entails undue risk of nuclear devastation. However, the United States cannot afford to preclude itself from using nuclear weapons even in a local situation, if such use will bring the aggression to a swift and positive cessation, and if, on a balance of political and military consideration, such use will best advance U.S. security interests. In the last analysis, if confronted by the choice of (a) acquiescing in Communist aggression or (b) taking measures risking either general war or loss of allied support, the United States must be prepared to take these risks if necessary for its security.

35. The United States and its allies must reject the concept of preventive war or acts intended to provoke war. [The United States

and its allies will also have to forego actions regarded as provocative, if such actions would foreclose the requisite domestic political support for the use of force should this become necessary. Moreover, if the Communist rulers should conclude that the United States is bent on aggressive war, they may feel that they have no choice but to initiate war themselves at their own time. Hence, the United States should attempt to make clear, by word and conduct, that it is not our intention to provoke war.] §§ At the same time the United States and its major allies must make clear their determination to oppose aggression despite risk of general war, and the United States must make clear its determination to prevail if general war eventuates.

II. *Strengthening the Free World*

36. The United States should place more stress than heretofore on building the strength and cohesion of the free world, and take adequate actions for the purpose of: (a) creating cohesion within and among all the free nations, remedying their weaknesses, and steadily improving the relative position of the free world; and (b) destroying the effectiveness of the Communist apparatus in the free world. Success in these endeavors will depend heavily on the degree to which the U.S. and its major allies can attain agreement on basic political objectives and actions to achieve them.

37. Direct action against the Communist apparatus must rest largely with the local governments concerned, although the U.S. should be able to help significantly, chiefly through covert means. In countries vulnerable to subversion, the U.S. should, as one of its objectives, assist in the development of adequate internal security forces. In case of an imminent or actual Communist seizure of control, the U.S. should take all feasible political, economic, and covert measures to thwart it, and, if necessary and appropriate, should take military action.

38. The existence of conditions in the free world which the Communists can exploit makes it very difficult for the free world to overcome its divisions, fears, and weaknesses. In many cases, the U.S. faces the choice of (a) taking timely action to help remedy such conditions, or of (b) allowing the situation to deteriorate with the prospect of later trying to prevent Communist gains by more costly and less certain measures, or even military action. The ability of the free world, over the long pull, to meet the challenge and competition of the Communist world will depend in large measure on the capacity to demonstrate progress toward meeting the basic needs and aspirations of its peoples.

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§§State proposal. [Footnote and brackets in the source text.]

39. In the economic field, there are two basic problems: (a) the industrialized areas require expanding markets and (b) the underdeveloped areas seek to develop and modernize their economies. It should be within the capacity of the free world, with U.S. initiative and leadership, to turn these two problems into mutually supporting assets for the promotion of appropriate economic strength and growth.

40. A necessary condition for such strength and growth is a high level of international trade within the free world. In order to foster this, the U.S.: (a) should continue to press strongly for a general reduction of trade barriers; (b) must take the lead by reducing further its own tariff level over the next few years; and (c) should also support sound moves to widen the convertibility of currencies.

41. The dangers of free world stability are particularly acute in the underdeveloped areas. The task of speeding up their economic growth and promoting stability presents a multitude of problems, political and social as well as economic. For example, it calls for some changes in traditional habits and attitudes and for greatly expanded training in administrative and technical skills. In any case, new capital investment is a prerequisite to growth. Local capital will have to be supplemented by the provision of capital from abroad. In addition to external public and private investment and IBRD loans, substantial financing from U.S. public funds (including the Export-Import Bank) will be necessary, in some cases over an extended period, to help achieve the economic progress essential to U.S. interests. U.S. financial assistance alone cannot produce satisfactory economic growth in these areas, and external assistance should be used in a way to promote and not decrease local incentives and self-help.

42. In order to promote conditions of sound development in underdeveloped areas the United States should be prepared to use economic means available to it where (a) such action serves U.S. objectives, (b) such development cannot be financed by local or other foreign capital, and (c) such assistance will be effectively used; and as part of such assistance the United States should train indigenous leaders, develop skills, and provide competent advisers. Specifically, the U.S. should support a new initiative, in which industrialized free world nations and underdeveloped nations of Asia would both participate, aimed at significant economic improvement in South and Southeast Asia, where the Communist threat is especially dangerous. [The total level of U.S. economic assistance worldwide should, however, be progressively reduced.] ||||

||||Proposed by Treasury and Budget. [Footnote and brackets in the source text.]

43. U.S. political policies must be adapted to conditions prevailing in each underdeveloped area. The U.S. should not exert pressure to make active allies of those not so inclined. The U.S. should provide assistance on the basis of the willingness and ability of countries to strengthen and defend their independence against Communist expansion rather than on their formal alignment with the U.S. As far as possible, the U.S. should attempt to work with rather than against those forces, such as constructive nationalist and reform movements, which are likely to remain powerful over a long period.

44. Where disputes and tensions between free nations threaten to impair free world strength and cohesion, the U.S. should exert its best efforts to help settle them or at least moderate their effects. In addition to efforts to settle specific current controversies, the U.S. should develop longterm policies to deal with deep-seated problems (such as those involved in the evolution of colonial peoples).

III. *Political Strategy Against the Communist Bloc*

45. The U.S. should develop a political strategy against the Communist bloc designed: (a) to reduce the likelihood of aggression; (b) to influence, in ways favorable to U.S. and free world interests, decisions and developments within the Communist bloc, such as toward greater emphasis on internal problems; and (c) to foster long-run trends which might lead to basic changes in the outlook or character of Communist regimes.

46. In pursuing this strategy, the U.S. should seek: (a) to convince the Communist regimes that alternatives exist to their present policies which would be acceptable to the U.S., and which they might come to consider compatible with their basic security interests; (b) to give to the Communist regimes a clear conception of the true U.S. and free world purposes and uncompromising determination to resist Communist aggressive moves; (c) to exploit, in ways consistent with this strategy, differences within the Soviet system or between the USSR and other members of the Communist bloc.

47. The U.S. should be ready to negotiate with the USSR whenever it clearly appears that U.S. security interests will be served thereby. The U.S. should continue to take the initiative in advancing proposals for constructive settlements and international cooperation (i.e., atoms for peace) in order to put the Soviets on the defensive and win public support on both sides of the Iron Curtain.

State	*JCS*
a. Without relaxing its defense posture, the U.S. should actively use negotiation in pursuing its strategy. By doing so, the U.S. would be in a position (1) to expose the Communists' "conciliatory" line and place on them the onus for the persistence of tension and unsettled problems, or (2) to force them to substantiate "peace" propaganda with action or compromises beneficial to free world interests.	a. For the most part, however, the U.S. must realize it will be not only fruitless, but perhaps even hazardous, to continue its efforts to arrive at solutions to world problems through the normal processes of negotiation with the USSR.
b. The U.S. should: (1) seek to settle specific problems, (such as Germany) compatible with U.S. security, (2) seek to achieve a *modus vivendi* which would reduce world tensions and contribute to free world security; (3) put forward and seek agreement on proposals which, if accepted, would reduce the magnitude of the Soviet-Communist threat (such as an acceptable plan for limitation of armaments with adequate safeguards).	b. If the USSR demonstrates a basic change of attitude which would be conducive to achieving lasting settlements, the U.S. should then, and only then, endeavor through stepped-up negotiations to arrive at agreements with the USSR on the subjects of disarmament, atomic energy or other world issues.

48. In applying this strategy to Communist China, the U.S. must take account of non-recognition of the regime and the regime's recent and continuing aggressive policies. However, the U.S. should be ready to participate in talks including Communist China on specific subjects on an *ad hoc* basis, where the general objectives mentioned in connection with negotiations with the USSR would be served thereby.

IV. *Domestic Strength*

49. *Sound U.S. Economy*

a. A strong, healthy and expanding U.S. economy is essential to the security and stability of the free world. The level of expenditures for national security programs must take into full account the danger to the U.S. and its allies resulting from impairment, through inflation or the undermining of incentives, of the basic soundness of the U.S. economy or of the continuing expansion of the U.S. economy under a free enterprise system.

b. The Federal Government should continue to make a determined effort to[¶¶] bring its total annual expenditures into balance, or into substantial balance, with its total annual revenues,[¶¶] and should maintain overall credit and fiscal policies designed to assist in stabilizing the economy.

c. Nevertheless, the U.S. must continue to meet the necessary costs of the programs essential for its security.[*]

d. [The aggregate of Federal expenditures, not essential to the national security, should be minimized.][†] [Federal expenditures, especially those not essential for the national security, should be held to a necessary minimum.][‡] Every effort should be made to eliminate waste, duplication, and unnecessary overhead in the Federal Government.

e. The United States should also seek: (1) to maintain a higher and expanding rate of economic activity at relatively stable price levels, and (2) to maximize the economic potential of private enterprise by minimizing governmental controls and regulations and by encouraging private enterprise to develop natural and technological resources (e.g. nuclear power).

50. *Internal Security*

Internal security measures should be adequate to meet the threat to U.S. security of covert attack by the Soviet bloc on the United States by means of sabotage, subversion, espionage, and particularly the clandestine introduction and detonation of nuclear weapons.

51. *Civil Defense*

An essential ingredient of our domestic strength is an improved and strengthened civil defense program which seeks to minimize damage from nuclear attack by both preventive and ameliorative measures.

52. *Support by U.S. Citizens*

a. No national strategy to meet the Soviet threat can be successful without the support of the American people. During a time of increasing Soviet atomic power, the determination of U.S. citizens to face the risks involved in carrying out such national strategy will be of increasing importance. Continuing efforts should be made to inform the American people of the demands on their spiritual and material resources necessary to ensure U.S. security during a period of armed truce, which may either continue for many years or be broken by an atomic war.

[¶¶] (1) CEA believes that, in the interest of clarity and precision, this language should read: ". . . bring its total expenditures into balance with its total revenues . . ." (2) Defense and FOA believe that this language should read: ". . . bring its total annual expenditures and its total annual revenues into balance, or into substantial balance, . . ." [Footnote in the source text.]

[*] Treasury, Bureau of the Budget, and CEA believe that this sentence should not be a separate paragraph, but should form the third and last sentence under a above. [Footnote in the source text.]

[†] Proposed by Treasury and Bureau of the Budget. [Footnote and brackets in the source text.]

[‡] Proposed by CEA. [Footnote and brackets in the source text.]

b. Eternal vigilance is necessary in carrying out the national strategy, to prevent the intimidation of free criticism. Necessary protective measures should not be used to destroy national unity, which must be based on freedom and not on fear.

V. *Other National Security Measures*

53. *Mobilization Base*

a. Essential to the strong security posture required by the national strategy is a mobilization base adequate to maintain military readiness and to provide the basis for successful prosecution of general war, based on (1) an approved military plan, (2) allowance for estimated bomb damage, and (3) a determination as to U.S. provision of allied material requirements.

b. The U.S. should continue to seek to achieve [as quickly as possible] § minimum stockpile objectives for materials the shortage of which would affect critically essential security programs. The stockpiling programs should not normally be used to help stabilize international markets for exports of underdeveloped countries; exceptions being made only on a case-by-case basis where there would be a clear net advantage to the U.S.

54. *Intelligence*

The United States should develop and maintain an intelligence system capable of:

a. Collecting and analyzing indications of hostile intentions that would give maximum prior warning of possible aggression or subversion in any area of the world.

b. Accurately evaluating the capabilities of foreign countries, friendly and neutral as well as enemy, to undertake military, political, economic and subversive courses of action affecting U.S. security.

c. Forecasting potential foreign developments having a bearing on U.S. national security.

55. *Manpower*

The United States should develop an adequate manpower program designed to:

a. Expand scientific and technical training.

b. Provide an equitable military training system.

c. Strike a feasible balance between the needs of an expanding peacetime economy and defense requirements.

d. Provide for an appropriate distribution of services and skills in the event of national emergency.

56. *Research and Development*

The United States should conduct and foster scientific research and development so as to insure superiority in quantity and quality of weapons systems, with attendant continuing review of the level and composition of forces and of the industrial base required for adequate defense and for successful prosecution of general war.

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§ODM proposal. [Footnote and brackets in the source text.]

Eisenhower Library, White House Office, "Office of Staff Secretary Records, 1952–61"

Notes by the Assistant Staff Secretary to the President (Minnich) on the Legislative Leadership Meeting, December 13, 1954 [1]

[Extract]

CONFIDENTIAL

The following were present:

President Eisenhower

Vice President Nixon

Sen. Knowland
Sen. Bridges
Sen. Millikin
Sen. Saltonstall
Sen. Ferguson

Speaker Martin
Rep. Halleck
Rep. Arends
Rep. Allen

Gov. Adams
Gen. Persons
Mr. Shanley
Mr. Hagerty
Mr. Snyder
Mr. Morgan

Sec. Dulles
  Asst. Sec. Thruston Morton
Sec. Humphrey
Sec. Wilson
  Asst. Sec. McNeil
  Asst. Sec. Carter Burgess
  Asst. Sec. Seaton
  Asst. Sec. Struve Hensel
Mr. Summerfield
  Asst. PMG Lyons
  Mr. Ben Guill
Sec. Benson
Sec. Mitchell
Sec. Hobby
  Under Sec. Rockfeller
  Asst. Sec. Perkins
Director Hughes, Budget
  Mr. Brundage
Gov. Stassen, FOA
Chrm. Young, CSC

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[1] The source text indicates that this White House meeting, concerned with various items and issues on the federal budget, was held from 8:30 a.m. to noon and from 2:30 p.m. to 5:45 p.m. For the portion of this meeting dealing with mutual security matters, see vol. I, Part 1, p. 809.

Members of the Eisenhower administration listed below and not previously identified include: Arthur E. Summerfield, Postmaster General, Jan. 21, 1953–Jan. 20, 1961; Ezra Taft Benson, Secretary of Agriculture, Jan. 21, 1953–Jan. 20, 1961; James P. Mitchell, Secretary of Labor, Oct. 8, 1953–Jan. 20, 1961; Oveta Culp Hobby, Secretary of Health, Education, and Welfare, Apr. 11, 1953–Aug. 1, 1955; and Nelson A. Rockefeller, Under Secretary of Health, Education, and Welfare, June 11, 1953–Dec. 16, 1954, after which he became Special Assistant to the President.

Mr. Randall
Mr. Jack Martin
Mr. Harlow
Mr. Gruenther
Dr. Hauge
Mr. Minnich
Mr. Albert Cole, HHFA
Dr. Milton Eisenhower

. . . .

Defense—The President opened this subject by commenting that only recently had the United States ever had to fear a serious attack on its own lands—as a result of the long-range bomber. Hence the Nation should focus its security efforts on retaliatory forces and on continental defense as the means of counteracting that threat. He said we must have a program that can be carried on indefinitely. The wisdom of such an approach was strengthened by the fact that everything we can assess indicates that Russia is not seeking general war; rather, she seems to feel that economic and political subversion programs are going well and should be pressed further. So we need a long term program of things that can deter or dull any attack.

The President then stated that he had directed, on his own judgment after long study, a manpower reduction in the Army and those parts of the Navy not involved in the deterrent or continental defense. Some of the reduction would take place this year, and more next year. This was agreed in by most people, but of course the land forces could always show a need for more and more. However, there would be a new approach regarding reserve forces that would serve as a back-up for the Army, particularly as any war could go into more and more protracted phases after the first great attacks. The President added specifically that the Army would be going down to 1.1 million men by June 30, 1956, instead of the previously scheduled level of 1.175 million. By June 30, 1957, it was hoped that the armed services altogether would total something below 2.8 million. (The President soon left the meeting and returned only after the lengthy DoD presentation was completed.)

Mr. Carter Burgess presented, with many charts, the new Reserve program, answering numerous questions on detail along the way. The presentation and discussion focused on the six-months training program, the quota to be set by the President on the six-month program, the absence of any desire to institute *universal* military training at this time, the need to have trained men other than those who have already served during wartime, and the status of six-month trainees in later years.

Mr. Burgess then outlined DoD proposals for the Career Incentive Program, including improvements as to medical care for dependents, military housing, Survivor Benefits, Dislocation Allowance, and a pay increase which would *not* be across-the-board but would be designed to retain people of longer service and to counteract the compression at higher levels that had developed over the years.

(The President returned to the meeting.)

Mr. McNeil then sketched very briefly the high spots of the defense programs that would be operated under the request for about $34 billion of new appropriations. These included continuing research and development at present high levels which require about 50% of the Nation's talent in this area; production at the same level as before, but more allocated to weapons and ships with less to facilities; reductions in maintenance and housekeeping; and the major problem for the years ahead as a result of the high cost of the new type weapons.

The President took exception to the phrase "fringe benefits" with respect to the several things Mr. Burgess had proposed, for these were in many ways the heart of military service, more important really than base pay. The President hoped these things would have very thorough consideration by the Congress.

Responding to a question, Mr. Wilson pointed out that the ratio of combat soldiers to non-combat was increasing; during World War II, about 42% of Army uniformed personnel were combat troops, this was up to 52% in June of 1953, and the target for 1955 was 62%.

Sen. Saltonstall asked if the wings (137?) envisioned in the program would all be operational. The President assured him they would be by the end of the year, for he would have nothing to do with paper wings.

[Here follows the conclusion of the "Defense" portion of the meeting: a brief discussion of possible publication of the so-called "Yalta Papers", the diplomatic and military record of the Crimea Conference of February 4–11, 1945.]

Eisenhower Library, White House Office, "Office of Staff Secretary records, 1952–61"

Notes by the Assistant Staff Secretary to the President (Minnich) on the Legislative Leadership Meeting, December 14, 1954 [1]

[Extract]

CONFIDENTIAL

The following were present:

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[1] The source text indicates that this White House meeting was held from 8:30 a.m. to 11:45 a. m. President Eisenhower opened the meeting by stressing the wide-

Continued

President Eisenhower

Vice President Nixon
Sen. Knowland
Sen. Bridges
Sen. Millikin
Sen. Saltonstall
Sen. Ferguson
Sen. Wiley

Speaker Martin
Rep. Halleck
Rep. Arends
Rep. Leo Allen
Rep. Chiperfield
Rep. Taber
Rep. Dewey Short

Sec. Dulles
Asst. Sec. Thruston Morton, State
Sec. Humphrey
Sec. Wilson, and Asst. Secs. Seaton, Burgess, McNeil, Struve Hensel
Gov. Stassen, FOA
Director Hughes and Mr. Brundage

Sen. Lyndon Johnson
Sen. Clements
Sen. Hayden
Sen. Russell
Sen. George

Rep. Sam Rayburn
Rep. McCormack
Rep. Cannon
Rep. James P. Richards
Rep. Carl Vinson

Gov. Adams
Gen. Persons
Mr. Shanley
Mr. Hagerty
Mr. Snyder
Mr. Harlow
Mr. Morgan
Mr. Jack Martin
Mr. Gruenther
Gen. Goodpaster
Mr. Milton Eisenhower
Dr. Hauge
Mr. Randall
Mr. Minnich

. . . .

National Defense—The President, speaking as Commander-in-Chief, described the basic change in the military picture of our times in terms of a "fear" having appeared for the first time in the United States, since it was no longer immune from attack. By virtue of the weakness of Germany and Japan, the traditional checks upon Russia had been weakened and the United States now had a definite interest beyond its own shores in the security of the industrial complexes of those two countries. Also, the development of atomic weapons had put us on the front line. As a result the United States needed economic programs that would help restore Japan and Germany as strong defenders against Russia, allowing

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ranging character of the agenda, and he invited members of the meeting to raise fresh issues. For the portion of this meeting dealing with mutual security matters, see vol. I, Part 1, p. 811.

the United States to be a central "keep"; also, the United States must have an effective deterring military force and a strong civilian defense that could blunt any blow directed against us.

The President then emphasized that security could not be measured in dollars, rather the most important thing was maintaining a long and steady course. This could be done through a well chosen, adequate and constantly modernized defense organization, backed by the Reserve establishment and a strong domestic economy. He believed that the possession of a strong retaliatory power was the greatest service the United States could render even to Great Britain and Western Europe.

The President set forth his belief in the need for increasing combat air up to the level desired, having a carrier force to provide air power to meet unexpected developments in any corner of the globe; and as a corollary to cut back on manpower in the effort to achieve maximum security per dollar expenditure. He stated that past requirements for US forces in Korea, Japan and Europe left us now with larger contingents there than necessary. [2]

The improved Reserve would be needed as a well disciplined domestic force.

While recognizing that a primary objective must be one of blunting the force of an enemy attack during the first fifteen days so as to gain time for American industrial superiority to have its effect, the President attached great importance to having proper military strength to keep an enemy from ever starting a war against us, knowing the destructiveness of modern weapons.

The President said that responsible leaders ought to be examining among themselves every possible way to cut back manpower in the Services in places other than air, Navy air, and submarine forces. The President stated that he had worked on this problem before any other single thing, especially since becoming President. He recognized that every Service could find good reason for having increases in strength but he urged the need for getting the least possible burden on the American people in a way that would not expose the country.

Mr. Rayburn was the first to comment by making the same statement he recalled making a year ago—a hope that "that big" is big enough. The President replied that there is a progression from things critically needed, to those highly desirable, and then to those probably helpful—each with decreasing returns.

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[2] At a press conference on Dec. 20, Secretary of Defense Wilson "announced stepped-up manpower cuts . . . to reduce the Armed Forces from 3,218,000 men to 2,815,000 by mid-1956" rather than by mid-1957 as had earlier been announced. At the same time, Secretary Wilson announced that the First Marine Division in Korea was being returned to the West Coast and would be replaced by one of the Army divisions then in Japan. (*New York Times*, Dec. 21, 1954, p. 1) Subsequent force movements were announced later in the month for Japan and the Pacific area. For information on these moves, see volume XIV.

Mr. Halleck interpreted the President's comments to mean simply having the proper balance in our Armed Forces, plus a strong economy, a middle way between all-out mobilization and weakness. The President added a comment that in some activities all the gold in Fort Knox could take us no further ahead. He assured the group that he would never be guilty consciously of exposing the United States unnecessarily. Rather, he would always stand ready to discuss these matters seriously since he did not profess to be any absolute authority.

(The President left the meeting during the following presentation.)

The new Reserve program was then presented, complete with charts, by Mr. Burgess. On completion, Sen. Saltonstall ascertained that this program, with its six-months training feature, did not in any way constitute universal military training. Messrs. Halleck, Knowland, Arends and Allen [3] asked a series of questions on detail, primarily as regards saving war veterans from frequent recall to service.

Sen. Russell felt there would be no difficulty in getting sufficient people to volunteer for the six-months program to fill the quota of 100,000 set for the first year. Mr. Burgess answered several questions on the mechanics of the program for Sen. Russell [4] and Rep. Taber. Mr. Burgess then presented the proposed Career Incentive Program (as on the preceding day). Sen. Hayden [5] was interested in the total cost of the pay increases, Sen. Bridges was concerned with resignations of Naval Academy personnel, as was also Sen. Saltonstall. The details of the military pay increase were then presented.

Mr. McNeil then went over the expenditures programmed for FY 1956, which would total about the same as for 1955 but would be devoted more to ships, planes and weapons, and less to construction of facilities and housekeeping. Sen. Wiley asked several questions on stockpiling and acquisition of critical materials which were in the realm of GSA and FOA.

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[3] Rep. Leo E. Allen (R., Ill.).

[4] Sen. Richard Russell (D., Ga.).

[5] Sen. Carl Hayden (D., Ariz.).

S/S–NSC files, lot 63 D 351, NSC 5440

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson) [1]

TOP SECRET WASHINGTON, December 17, 1954.

Subject: Basic National Security Policy—NSC 5440 [2]

1. The Joint Chiefs of Staff have reviewed a tentative draft statement of policy titled "Basic National Security Policy" (NSC 5440), prepared by the NSC Planning Board for discussion by the NSC at its meeting on 21 December 1954. Due to the limited time available for study of NSC 5440, the Joint Chiefs of Staff request that their views which follow be considered as tentative and without prejudice to any subsequent comments they may desire to submit.

2. In their memorandum to you dated 12 November 1954, subject: "Review of Basic National Security Policy (NSC 162/2 and NSC 5422/2)," [3] the Joint Chiefs of Staff expressed the view that the objective stated in paragraph 45 of NSC 162/2 remains valid, namely, ". . . to create, prior to the achievement of mutual atomic plenty, conditions under which the United States and the free world coalition are prepared to meet the Soviet-Communist threat with resolution and to negotiate for its alleviation under proper safeguards." They also stated "It is believed necessary to remove from NSC 162/2, its present preponderant commitment to a policy of reaction with the purpose of providing a basic U.S. security policy of unmistakably positive quality" and that "it is imperative that our basic security policy, when revised, reflect throughout the greater urgency of the present situation, define concretely the conditions which it is the aim of our security policy to create, and direct the formulation of courses of action designed to achieve the basic objective." None of these recommendations appear to have been incorporated in NSC 5440.

3. As a general assessment of NSC 5440, the Joint Chiefs of Staff consider that, while it appraises adequately the gravity of the Soviet-Communist threat to the United States, it fails to (a) state in clear, simple terms, the major objectives our policy is designed to attain, (b) define concretely the conditions referred to in paragraph

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[1] A covering memorandum of transmittal to the NSC from Lay dated Dec. 20, reads: "At the request of the Secretary of Defense, the enclosed tentative views of the Joint Chiefs of Staff on the subject are transmitted herewith for the information of the National Security Council in connection with its consideration of the reference report at its meeting on December 21, 1954." The memorandum of discussion at the Dec. 21 meeting is printed *infra*.

[2] Dated Dec. 13, p. 806.

[3] See the memorandum by Secretary Wilson to Lay, Nov. 22, p. 785. For text of NSC 162/2, Oct. 30, 1953, and NSC 5422/2, Aug. 7, 1954, see pp. 577 and 715, respectively.

2 above, or (c) stress the urgent need of achieving these conditions while the United States still holds a marked superiority in the atomic field. Rather, the draft statement of policy proposes as a general strategy (to be pursued in both the present era of United States superiority and the coming era of atomic plenty) the encouragement of tendencies that would lead the Communist Regimes to abandon their expansionist policies (paragraph 26). The Joint Chiefs of Staff consider that, in the face of the basic and continuing hostility of the Communist Regimes and of their recognized objectives as depicted in Section A II of the paper, it would be illusory to expect that any overtures on the part of the United States, consistent with United States security interests, would be effective in ameliorating the danger now confronting us.

4. The following general comments are directed to those portions of the draft basic policy considered to have military implications. More detailed comments are contained in the Appendix hereto.

a. *Section A*. This section is considered to constitute, in general, an acceptable estimate of the situation. There is, however, a discernible tendency in Subsection II to underrate the likelihood of Communist armed aggression particularly after the advent of atomic plenty. Also, this Subsection overstresses the significance of the present Soviet "soft" tactics as indicative of a possible basic shift in the Soviet policy. The Soviets have recently demonstrated that this "soft" tactic is subject to radical reversal whenever it suits their interest.

b. *Section B*. The national strategy set forth in this section appears to be premised on the thesis that the solution to the problem of United States security lies mainly in attempting to bring about a reorientation of the Soviet Regimes through persuasion leading to mutually acceptable settlements. If a policy of persuasion is to be effective, the United States must either offer adequate inducements or develop a position of sufficient strength to alter radically the Soviet attitude. If the estimate of Soviet objectives set forth in paragraph 14 of Section A is accepted as being reasonably accurate, it is difficult to perceive how the United States can present to the Communist Regimes alternatives which are in their basic interests and do not conflict with the security interests of the United States. The Joint Chiefs of Staff are of the opinion, therefore, that our national strategy should recognize that, until the Communist Regimes are convinced that their aggressive and expansionist policies will be met by countermeasures which inherently will threaten the continued existence of their regimes, it will not be feasible to induce a change in their basic attitude or bring about the abandonment of their present objectives, and that the desired conviction in Communist minds can be brought about only through positive dynamic and timely action by the United States.

c. *Section C*. Subject to the detailed comments in the Appendix hereto, Subsections I, IV, and V of this section are considered to be generally acceptable. Subsection II should be expanded to provide adequate guidance for future military assistance programs, which are important factors in any United States undertaking to strengthen the Free World. Subsection III develops the political aspects of the national strategy contained in Section B. The comments of the Joint Chiefs of Staff contained in subparagraph 4 b above are considered equally applicable to this subsection.

5. In a memorandum of 22 November,[4] to the NSC, the Secretary of Defense and the Joint Chiefs of Staff recommended that an *ad hoc* or an existing agency of the NSC be charged with formulating a statement of methods of implementing paragraph 45 of NSC 162/2. The Joint Chiefs of Staff reiterate that recommendation.

6. The Joint Chiefs of Staff request that the foregoing views be presented for consideration by the National Security Council at its meeting on 21 December 1954.

7. The Chairman, Joint Chiefs of Staff did not participate in the action of the Joint Chiefs of Staff outlined in this memorandum.

For the Joint Chiefs of Staff:
N. F. Twining
Chief of Staff, United States Air Force

Appendix

Detailed Comments on NSC 5440

1. The following comments are directed to certain changes in the draft statement considered desirable and to those divergent views which are considered to have military implications:

a. *Page 1.* The Joint Chiefs of Staff favor the retention of the first sentence in the Estimate of the Situation, as constituting a fair appraisal of the peril now confronting the United States.

b. *Paragraph 6, page 2.* Change the last sentence to read as follows (changes indicated in the usual manner):

> "Provided that it has the will to do so, the free world coalition has the capacity to maintain sufficient *conventional* armed strength, *including the capability for adequate and timely reinforcement,* along with U.S. strategic nuclear striking power . . . ."

Reason: The paragraph should recognize the need for U.S. capability for timely and adequate reinforcement and the fact that U.S. conventional strength is a major element in the context of this statement.

c. *Paragraph 14f, page 5.* Add a sentence to read:

> "In this connection Latin America should be viewed as a prime Soviet target and one most sensitive to U.S. interests.

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[4] *Ante,* p. 785.

Reason: Self-explanatory.

d. *Paragraph 15, page 5.* Reword the first sentence to read as follows (changes indicated in the usual manner):

> "*The Chinese* Communist *Government* remains bitterly hostile to . . . ."

Reason: It is the Government of Communist China, and not necessarily the Chinese people, which remains hostile.

e. *Paragraph 20, page 7.* The last sentence should be retained as now phrased.

Reason: It is considered to constitute a more accurate estimate of probable Communist actions.

f. *Paragraph 21, page 8.* Omit the bracketed phrase.

Reason: It is considered to be an inappropriate qualification to the statement of the basic objective. Further, it appears in its proper context in paragraph 23.

g. *Paragraph 23, page 8.* The Joint Chiefs of Staff have no preference as between the two bracketed phrases.

h. *Paragraph 24, page 8.* Change to read (changes indicated in the usual manner):

> ". . . (a) overthrow of the Soviet regime (*including the destruction of its international Communist apparatus*) and its replacement. . ."

Reason: To complete the thought.

i. *Paragraph 25, page 8.* Delete the bracketed phrase.

Reason: It would foreclose the possibility that basic Communist military strength might be reduced by defection of one or more satellites.

j. *Paragraph 29, page 10.* The bracketed phrase should be retained.

Reason: Preparedness to fight a general war is properly identified as a central aim of United States policy.

k. *Paragraph 32, page 11.* Change to read (changes indicated in the usual manner): "Such ready forces will be in addition to those assigned to NATO: *they must be in properly proportioned relationship with the versatility to meet aggression in all of its forms,* suitably deployed, . . ."

Reason: To clarify the composition of the "ready forces."

l. *Paragraph 35, page 11.* Delete the bracketed phrase.

Reason: The paragraph would be more terse and meaningful without this insertion. Its inclusion would tend to circumscribe actions by the United States to an excessive degree.

m. *Paragraphs 39, 40, 41, and 42, pages 12 and 13.* Should be broadened to include some reference to plans for improving the availability and adequacy of food supplies concurrently with other economic improvements.

n. *Paragraph 47, pages 15 and 16.* Omit both versions of subparagraphs a and b, and expand paragraph 47 to set forth the essential precondition which should exist before the United States undertakes substantive negotiations with the Soviets, namely, demonstrated good faith.

Reason: As thus revised, the paragraph should be sufficiently comprehensive to provide adequate policy guidance.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 229th Meeting of the National Security Council, Tuesday, December 21, 1954 [1]

[Extract]

TOP SECRET EYES ONLY

Present at the 229th Meeting of the National Security Council were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General (for Item 2); the Secretary of Commerce (for Item 4); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Item 2); Mr. Spear for the Federal Civil Defense Administrator (for Item 2); the Chairman, Council of Economic Advisers (for Item 2); the Director, U.S. Information Agency; General Twining for the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Robert Cutler, Joseph M. Dodge and Nelson A. Rockefeller, Special Assistants to the President; the White House Staff Secretary; Robert R. Bowie, Department of State; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

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[1] Drafted by Deputy Executive Secretary Gleason on Dec. 22.

2. *Review of Basic National Security Policy* (NSC 5440; NSC 162/2; NSC 5422/2; Memo for NSC from Executive Secretary, subject: "Summary Statement of Existing Basic National Security Policy", dated October 11, 1954; [2] Memo for NSC from Executive Secretary, subject: "Basic National Security Policy", dated December 20, 1954; [3] NSC Actions Nos. 1251, 1272, 1279, and 1286; [4] NIE 11-4-54; NIE 11-6-54 [5])

In the course of his briefing (copy of notes filed in the minutes of the meeting [6]), Mr. Cutler referred to and summarized the views of the Joint Chiefs of Staff which had been circulated the previous evening. While the views of the Joint Chiefs were still tentative, they took exception to many portions of the proposed new policy statement. In effect they were reaffirming the position that they had taken at the meeting on November 24. Mr. Cutler then called for a general discussion of the report (NSC 5440), and suggested that the Secretary of State speak first.

Secretary Dulles said that inasmuch as this meeting was preliminary in character, it would be best for him to speak in general terms rather than to direct his remarks to specific points in the policy report. He then indicated that he could not help but have some sympathy for the general view of the Joint Chiefs of Staff in favor of greater dynamism in the American attitude toward the Soviet Union and Communist China. After all, during the course of the 1952 campaign he had himself called for a more dynamic U.S. policy vis-à-vis Communism. However, experience indicated that it was not easy to go very much beyond the point that this Administration had reached in translating a dynamic policy into courses of action, and in any case we had been more dynamic than our predecessors.

Secretary Dulles then stated that of course we have ruled out preventive war. In certain quarters it is suggested, however, that while we continue to have atomic superiority over the enemy, we should apply strong and forceful measures to change the basic character of the Soviet system. Secretary Dulles said he assumed that this would call, in effect, for an effort to overthrow the Communist regimes in China and in the European satellites and to detach these countries from the USSR. In his opinion, continued Secretary Dulles, the effort to implement such a course of action would involve the United States in general war. If it did not, however, and we did succeed in detaching Communist China and the satellites from their alliance with the Soviet Union, this in itself would not actually touch the heart of the problem: Soviet atomic plenty. Even if we split the Soviet bloc, in other words, we would still have to face the terrible problem and threat of an unimpaired nuclear capability in the USSR itself. Accordingly, Secretary Dulles did not think that this more dynamic and aggressive policy would in fact achieve the desired goal unless it eventuated in a general war which we could win. Moreover, while these more aggressive policies, if successful, might result in the disintegration of the Soviet bloc, they would almost certainly cause the disintegration of the free world bloc, of which we were the leaders, for our allies in the free world would never go along with such courses of action as these. In sum, Secretary Dulles said that he must conclude that this kind of aggressive policy was not in the best interests of the United States.

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[2] For text of NSC 5440, Dec. 13, 1954; NSC 162/2, Oct. 30, 1953; and NSC 5422/2, Aug. 7, 1954, see pp. 806, 577, and 715, respectively. For Lay's memorandum of Oct. 11, 1954, see p. 738.

[3] See footnote 1, *supra*.

[4] For information on NSC Action No. 1251, see footnote 3, p. 738. For NSC Action No. 1272, see footnote 12, p. 800; for NSC Action No. 1279, see the first footnote 4, p. 806. NSC Action No. 1286 is discussed in footnote 5, p. 807.

[5] Extracts from NIE-11-4-54, "Soviet Capabilities and Probable Courses of Action Through Mid-1954", are scheduled for publication in volume VIII. NIE-11-6-54, "Soviet Capabilities and Probable Programs in the Guided Missile Field", is not printed.

[6] The copy of Cutler's briefing paper has not been found. For information on the minutes of NSC meetings, see footnote 1, p. 394.

Another step which it had been suggested that the U.S. might take, would be to present the USSR with an ultimatum to the effect that if the USSR proceeded to try to take over any other free nation—such as Vietnam or Finland—the United States would regard such an attempt as a *casus belli.* This was another case, said Secretary Dulles, of a step which might possibly succeed. But even if it did succeed, it would not touch the heart of the problem of Soviet atomic capabilities, and would likewise prove disastrous to the unity of the free world coalition. The remaining areas into which the Soviets could expand their powers were not areas—except perhaps in the case of the Middle East—whose acquisition would notably increase the actual power of the Soviet bloc, although the prestige of the latter might gain.

Basically, therefore, said Secretary Dulles, he felt our present national security policies were pretty generally adequate, save, perhaps, in Asia and in the Middle East. Our alliance system has staked out the vital areas of the world which we propose to hold even at the risk of general war. These vital areas include currently all the areas of immediate strategic value to us or which possess significant war potential. The NATO area is by all odds the greatest single U.S. asset. Its defense is covered by our NATO treaty and by our interpretation of that treaty in such fashion as to ensure a strong reaction to any Soviet attempt at a take-over. We are thus committed to the denial of the NATO area to the USSR. . . .

Outside the NATO area, in Latin America we have the Declaration of Caracas, [7] which has the same effect in the Western Hemisphere that our NATO commitment has for Western Europe.

In the Pacific the vital areas are staked out by the Manila Pact or by other treaties which commit the U.S. to defend the offshore island chain. One critical gap in this area, which deserves our most careful consideration, is Indonesia. In a way, Indonesia is a part of our great defensive arc in the Pacific. It is of very great importance to us and to certain of our allies, especially Japan. By and large, in sum, the situation in the Pacific is pretty well in hand and buttressed by adequate policies, save in the case of Indonesia. This leaves, as significant areas in Asia about which we must have concern, Southeast Asia, South Asia, India and Pakistan, etc., and the Middle East. Secretary Dulles pointed out that all these areas lie so close to the orbit of the USSR and China, and all of the countries in question are so weak themselves, that they cannot but pose very serious problems to us. Secretary Dulles said that he was not at all optimistic about the future of Free Vietnam. Laos and Cambodia are also very vulnerable. Yet if one looked at the other side of the picture, these countries are not really of great significance to us, other than from the point of view of prestige, except that they must be regarded as staging grounds for further forward thrusts by the Communist powers. An example would be Indonesia. Happily, the countries which are likely victims of such a Communist forward thrust are covered by adequate defense arrangements.

Furthermore, continued Secretary Dulles, the South Asian countries were no real assets to the United States in the military sense. It was different in the Middle East, where the problem is greater, thanks to their oil resources. The Middle East must be denied to the Soviet bloc, for the loss of this area to the free world would be a matter of great gravity. So, said Secretary Dulles, he coupled the area of the Middle East with Indonesia as representing a serious unsolved problem for our national security.

Secretary Dulles added that he had talked about the problem of the Middle East with Foreign Secretary Eden in the course of his stay in Paris. The British were thoroughly alarmed over evidences of Communist infiltration into some of the Arab countries, and were jointly considering with the United States how best to combat this infiltration. Equal difficulty was presented by Indonesia, and Secretary Dulles thought our policies vis-à-vis that country "inadequate".

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[7] Reference is apparently to Resolution 93, "Declaration of Solidarity for the Preservation of the Political Integrity of the American States Against the Intervention of International Communism", printed in *Tenth Inter-American Conference*, Caracas, Venezuela, March 1-28, 1954: Report of the Delegation of the United States of America With Related Documents (Department of State Publication 5692), p. 156. For Resolution 95, titled the "Declaration of Caracas," dealing with human rights and economic well-being, see *ibid.*, p. 158. For documentation on the Tenth Inter-American Conference held at Caracas, Mar. 1-28, 1954, see vol. IV, pp. 264 ff.

There was, of course, continued Secretary Dulles, great concern at the prospect of future developments in the strength of the Soviet bloc. We need not, however, be too pessimistic. Time might well bring about many changes in the Communist bloc. For example, Secretary Dulles believed that one could properly anticipate that there will be in the future some disintegration of the present monolithic power structure of the Soviet orbit. If conditions were so changed in the orbit that no single nation (the Soviet Union) can decide upon and take sudden action without considering the views of its allies and associates, the risk and threat posed by this single nation would be greatly diminished. Nationalism, in short, may quite conceivably grow apace among the satellites, and it was also logical, from the historical point of view, to expect Communist China to reveal an increasing attitude of independence vis-à-vis the USSR. Accordingly, it was possible to foresee the growth within the Soviet bloc of so wide a distribution of power that no single individual could decide on a course of action which would bind all the rest. There was already some slight evidence of such a development, and the United States may itself be able to promote its further growth.

In conclusion, therefore, Secretary Dulles said that he felt that our policies were in the main adequate to protect our national security. In any case, he could see no clear substitutes for existing policies except in Indonesia, the Middle East, and Vietnam. Secretary Dulles also indicated again the desirability of strengthening ourselves, from an organizational as opposed to a policy point of view, in the field of action to cope with the subversion tactics of our Communist enemies.

The President commented that if and when you should decide on a policy of drawing a defensive line beyond which you tell the enemy he cannot step without risking a clash, you automatically give the initiative to the enemy to seize whatever falls short of the defensive line. For this reason he had always rejected the concept of linedrawing.

Mr. Cutler then called on Secretary Humphrey to make any general comments he might wish.

Secretary Humphrey at first said that Secretary Dulles had stated his own thoughts better than he could. However, he said he did desire to emphasize one or two points made by the Secretary of State, particularly with respect to the timing of our courses of action and with respect to the areas which we select for concentrating our activities. Preventive war, said Secretary Humphrey, was obviously out. Moreover, an aggressive course of action to roll back Communism was also out. We would lose our allies, and such a course of action was not worth the risks it entailed. These two decisions plainly settle our course of action in a number of areas in the world, such as Quemoy and Indochina. If there was to be no aggressive roll-back of the enemy, the United States must be very careful never again to let itself get into situations where we do not really plan to defend our interests. In short, if we know we are not going to embrace a policy of rolling back the enemy, we should withdraw from those positions in the world which we do not propose to defend by military action.

If we adopt such a policy as he was suggesting, Secretary Humphrey said we would be in effect practicing a policy of co-existence. The United States must, in other words, now learn to live the way many of the other nations of the world have lived for many centuries—that is, by co-existence based on the maintenance of the balance of power. The United States must participate in a world division of power so carefully balanced that neither side dares to "jump" the other. For these reasons we should avoid provocative actions vis-à-vis the USSR and not get ourselves into positions which are untenable from the point of view of their defense.

Secretary Dulles, continued Secretary Humphrey, had indicated in his statement the three major areas of the world in which the United States should be prepared to spend its resources and to fight if necessary, and Secretary Humphrey added that he did not believe that there were any other such areas. Quemoy and Indochina were certainly not among the areas for which we would fight, and, indeed, he doubted if we should really fight anywhere on the Asian continent. Instead, we should devote our resources to those areas where we decide in advance that it is essential for us to be strong. We can't do everything for everybody at the same time. Accordingly, we should pick out the key areas and intensify our action there, and not spend our time and resources anywhere else. If we adopted some such basic principle as this, the details with which we are constantly confronted, in trying to determine our military and economic setup, would settle themselves.

South America, said Secretary Humphrey, the Middle East, and Japan should be strengthened, along with Western Europe, including North Africa. He would much prefer to strengthen our position in the Middle East than to bolster up India. The same rule applied to Japan and Indonesia. If we are to adopt a policy of building up these areas, instead of constantly trying to kick Russia in the shins, then Secretary Humphrey thought we must begin realistically to look at our trade policies with the Soviet bloc nations. It was absolutely essential to have more such trade, both for our allies and for ourselves. After all, nearly every article of trade between nations has in some sense a usefulness in war. While he did not propose, of course, to send aircraft and weapons to the Soviet bloc, he favored a general expansion of trade in other kinds of commodities.

As for Latin America, said Secretary Humphrey, the United States should make it absolutely clear that we will not tolerate Communism anywhere in the Western Hemisphere. We should therefore stop talking so much about democracy, and make it clear that we are quite willing to support dictatorships of the right if their policies are pro-American.

The President interrupted to say, you mean they're OK if they're *our* s.o.b.'s.

Secretary Humphrey said that was it, and went on to point out that the Joint Chiefs of Staff were at least correct in accusing the United States of being much too idealistic in its relations with other nations. Whatever we may choose to say in public about ideals and idealism, among ourselves we've got to be a great deal more practical and materialistic.

Finally, said Secretary Humphrey, he was not in the least afraid of co-existence. Our American system was sufficiently strong to undertake such a policy, and in competition with the Soviet Union we could certainly beat them.

The President indicated disagreement with a number of points made by Secretary Humphrey. He pointed out that India contained a population of 350 million, among which was a lot of very good military material. If we were to let this whole South Asian subcontinent fall into the hands of the Communists, we must almost certainly lose the Middle East as well. This was a certain invitation to general war. Secretary Humphrey replied that even so, we could not defend everybody everywhere. We must choose between whether we defend Iran or India. The President answered in turn that Secretary Humphrey was calling in effect for a situation which would necessitate resort to preventive war. The domination of India by the USSR would be certain to cost us the entire Middle East. Secretary Humphrey answered that he had not argued that adoption of his views would outlaw war forever, but if his views were adopted there was a chance of peace lasting for a good many years.

The President then inquired of Secretary Humphrey why Indonesia seemed so much more important to him than India. Secretary Humphrey answered that he felt so because Indonesia protected our whole Pacific position and was therefore worth holding and fighting for.

The President then charged Secretary Humphrey with arguing that except for certain important nations and areas, he was willing to let the whole rest of the free world go by the board. But each time, said the President, that the Soviet Union takes over an additional free country, the rate of the process accelerates. Secretary Humphrey replied that since we will eventually get pushed out of certain areas, would we not be better off if we withdrew from places like Indochina before we were actually pushed out? It was likewise better to get Chiang Kai-shek to withdraw from Quemoy and the other offshore islands before he too was pushed out.

With a smile, the President invited Secretary Humphrey to "take on" Chiang Kai-shek, and Secretary Humphrey reiterated his position that he wanted to know where he was going to be and where he was going to take his stand, in order that he could be just as strongly entrenched as possible in that area.

Mr. Cutler then called on Secretary Wilson for an expression of his views.

Secretary Wilson said that he personally subscribed to the view that the threat posed to the U.S. by the USSR had not lessened, though he believed that the threat of global war had lessened. Starting from this point, Secretary Wilson said he was much impressed by the historical fact that our country had enjoyed great prestige throughout the world in past generations when we had actually possessed very little real military power. Certainly, he added, we cannot counter the Soviet threat by borrowing Soviet methods. It was much wiser to use our own methods. He said that he did not think we should announce any line which, if crossed by the Soviets, would bring on war with the United States. On the other hand, we would be wise ourselves to consider carefully those areas where we can and should make our stand. The continent of Asia has never been an area that the European powers could conquer. Hence he was, for lack of a better word, in favor of containment. We were in a position to hold on to the island chain, to the peninsulas of Korea, India and Malaya. We should therefore draw both a military and an economic line including these areas. We should also try to take the heat off certain hot spots such as was currently provided by the Nationalist-held offshore islands. Secretary Wilson said that he did not agree with Secretary Humphrey's position on India. Every effort should be made to hold that country. But we must get away from the old colonial approach, both in Africa and in the Middle East. This was the kind of line which the United States should draw.

When it comes to aiding these countries economically, Secretary Wilson said, he was at least in favor of a policy of helping them to help themselves. We must also have sufficient military strength in these areas to assure their internal security, although we should not build up their military forces to a point which would permit them to indulge in any external aggression.

Secretary Wilson then stated that all of us are, of course, conditioned by our own experience. While his was rather limited in international affairs, he had nevertheless had some experience which was useful. Plainly, we must live for the time being with Communism. While we ourselves can't do very much externally to destroy it, he was sure that ultimately it would destroy itself. The same applied in a slightly different way to China. China had been a dictatorship for centuries; so had the Soviet Union. These countries had new kinds of dictators now, but these dictators still faced the problem of how to control their population.

Secretary Wilson said that he did not like the word "coexistence" much better than he liked the word "containment", but coexistence was at least better than cohabitation. Basing his judgment on past experiences in dealing with the big labor unions, Secretary Wilson said that the only formula that worked was a formula which called for admitting your own mistakes. Our policy should be strong, but we could no more bully the Soviet Union than we could bully the labor unions. We should, accordingly, deal with the Soviet Union from strength and in the confidence that our own system was much the better, instead of adopting courses of action in imitation of Soviet methods. With respect to trade with the Soviet bloc, Secretary Wilson was sure that progress could be made if once again we could take the heat off of some of the hot spots. Our best course of action in this area was to return to our traditional open-door policy on the basis of the President's concept of net advantage. We should not, however, offer credits to the USSR or to Communist China in order to stimulate trade.

In conclusion, Secretary Wilson recommended that, once the Council had agreed on a broad new statement of basic policy, we should list the concrete problems which face our country and determine specific courses of action to solve them. That was his broad look at the current picture.

Mr. Cutler then called on General Twining who, however, said that he had nothing in particular to add to the written comments of the Joint Chiefs of Staff. [8]

The President commented that, as so often, we had again gone around in a circle and come back to the same place. The problem of the Soviet Union was a new kind of problem, and the old rules simply didn't apply to our present situation. As regards the proposal to take the heat off the hot spots and to remove irritations in our dealings with the Soviet Union, the President pointed out that every locality in the world is a source of irritation if you are dealing with Communists. There would be no chance whatever of removing irritations unless we were prepared to get off the earth. Our attitude with respect to the offshore islands, said the President, seemed to him perfectly OK. Chiang Kai-shek had been made to realize that we would not go to war over these islands. On the other hand, the President could see no reason why we should press Chiang to get out of the offshore islands. If he were to do so, moreover, the center of Communist irritation would be transferred from the offshore islands to Formosa and the Pescadores.

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[8] Reference is to the memorandum by the Joint Chiefs of Staff to Wilson, Dec. 17, p. 828.

The President continued that while he could go along with Secretary Humphrey in agreeing that we should not make binding treaties with the nations of South Asia, he certainly could not agree with him that we should let this whole vast area fall into the Communist orbit. There was certainly a good deal of help which the U.S. could provide to these nations. A couple of billions would not be wasted on them if we consider the size of our total defense budget. While, the President said, he did not propose to make the United States an Atlas, bearing the weight of the world, there was still much that we could do. The President concluded by noting with alarm the proposal made by the President of the U.S. Chamber of Commerce for a 25% cut in all Government expenses, including expenditures for defense.

Secretary Humphrey noted that in his travels in Europe he had everywhere observed the same spirit of economy.

Secretary Dulles said that with regard to the question of U.S. assistance to foreign nations, we should recognize that there is tenable ground in between military commitment to save these nations from Communism and total abandonment of the areas to Communism. The verdict of history was that the Soviet leaders had been rather cauticus in exercising their power. They were not reckless, as Hitler was; but primarily they rely not on military force but on methods of subversion. This was natural, because the Communist Party was in essence revolutionary and conspiratorial. At the present time they calculate that it is not worth their while to undermine the successful campaign of subversion by indulgence in actions of open brutality. This deterrent is not constituted by our military power, but is based on Soviet reluctance to indulge in actions of aggression which cannot be reconciled with their worldwide propaganda line in favor of peace and co-existence. Hence, if areas exposed to the Communist threat can build up governments capable of maintaining internal security and governments which can't be overthrown except by overt, brutal acts of aggression, it will be possible to withstand the present Soviet threat. Accordingly, it will be very much worth our while to provide to these vulnerable nations sufficient military and economic assistance as will enable them to provide for their internal security and for the bettering of their economic health. The situation in Vietnam, warned Secretary Dulles, was not a typical case but a special case, and we should not generalize on the basis of Vietnam, where the French had messed up the situation so thoroughly.

Secretary Humphrey interrupted to say that in any case let us not get ourselves again into such a situation as we found ourselves in in Vietnam and from which we ought to get out as quickly as possible.

Secretary Dulles then went on to point out that the value of our programs of economic assistance ought not to be exaggerated. The maintenance of adequate security forces in these vulnerable countries was equally important.

Governor Stassen said it seemed to him that the Council was in agreement on two facts of central priority—the fact of Soviet power on the one hand, and the cohesion of our allies on the other. Our total national security policies should, accordingly, stress both centers of strength, our own confidence and our sustained power. If we manage to do this we will ultimately weaken the enemy's confidence in himself. When that happened, the internal opposition to Communist control will grow stronger as the peoples of these states lose confidence in the success of their system against ours. Conversely, holding our friends together likewise requires an atmosphere of confidence and success. That was why, continued Governor Stassen, he thought we must not let ourselves get into a position where we seem to be backing away from the challenge. If we backed away from South Asia, the effects would not only be bad in Japan, but in Europe as well. Accordingly, he agreed with the position of the Secretary of State on these areas. We don't need to give South Asia top priority in our assistance programs, but we certainly don't need to refuse all assistance. Moreover, we will not need, from now on, to spend so much in Europe.

The President commented that it was good to have such frank discussion, but he did not believe that the practical differences between the members of the Council were very great. It all came down to the kind of help that the United States can provide in order to prevent Communist take-overs through tactics of subversion. Certainly, however, we could not afford to lose such great areas as India. It is in trying to formulate theoretical policy that we encounter such great apparent disagreements.

Mr. Cutler said that while this general discussion had been very useful, he hoped that he could ask the Council for guidance on one specific issue which had caused great concern to the Planning Board. The issue was set forth in paragraph 47 of the basic policy paper, and concerned the attitude that the United States should take with respect to negotiations with the Soviet Union. The Joint Chiefs of Staff were very skeptical of U.S. negotiations with the Soviet Union unless the USSR demonstrated a basic change of attitude which would be conducive to achieving lasting settlements. The State Department, on the other hand, believed that we should actively use negotiation in pursuing our strategy, although we should do so without relaxing our defense posture.

Secretary Dulles inquired if there was not general acceptance at least of the first two sentences of paragraph 47, which read as follows: "The U.S. should be ready to negotiate with the USSR whenever it clearly appears that U.S. security interests will be served thereby. The U.S. should continue to take the initiative in advancing proposals for constructive settlements and international cooperation (i.e., atoms for peace) in order to put the Soviets on the defensive and win public support on both sides of the Iron Curtain." If everybody could agree to these two sentences, Secretary Dulles suggested stopping the paragraph at that point. Mr. Cutler indicated that this was exactly what the Joint Chiefs of Staff proposed in their views. Secretary Wilson proposed adoption of the first sentence of paragraph 47, with the addition of the phrase "in order to advance the cause of world peace." The rest of the paragraph he likewise thought could be deleted, including the split view.

Dr. Flemming suggested that courses of action involving negotiation should be based on the best available intelligence estimate of what is going on in the Soviet Union.

The President said that the trouble was that we were trying to establish policies in this paper designed to deal with situations which could really only be dealt with on a case-by-case basis. We must always be on the alert for changes and opportunities. The argument of the Defense Department that entering into negotiations with the Soviet Union would cause the free world to let down its military guard seemed to be based on the assumption that the State Department was incapable of distinguishing fraudulent from honest changes in the Soviet attitude. Moreover, said the President, we cannot hope to get the continued support of public opinion in the free world if we always say "no" to any suggestions that we negotiate with the Soviet Union. Accordingly, we should negotiate wherever and whenever it looks profitable. The first two sentences of paragraph 47, said the President, seemed sufficient to him.

Citing the Berlin and Geneva Conferences,[9] Secretary Dulles pointed out that we did not actually desire to enter into either negotiation, but felt compelled to do so in order to get our allies to consent to the rearmament of Germany. World opinion demanded that the United States participate in these negotiations with the Communists.

After further discussion, it was finally agreed to adopt the first sentence in paragraph 47 as a sufficient statement of the U.S. position on negotiations with the USSR.

The National Security Council:[10]

a. Discussed the subject on the basis of the reference report (NSC 5440) in the light of the tentative views of the Joint Chiefs of Staff transmitted by the reference memorandum of December 20, 1954.

b. Tentatively agreed that the first sentence in paragraph 47 of NSC 5440 was a sufficient statement of the U.S. position regarding negotiations with the USSR, and that the remainder of that paragraph could be deleted.

c. Deferred formal consideration of NSC 5440 until the meeting of the Council to be held January 5, 1955.[11]

d. Requested the Operations Coordinating Board to present to the Council a report on the status and adequacy of the current program to develop constabulary forces to maintain internal security and to destroy the effectiveness of the Communist apparatus in free world countries vulnerable to Communist subversion.

Note: The action in d above, as approved by the President, subsequently referred to the OCB for action.

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S. EVERETT GLEASON

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[9] For documentation on the Berlin Conference, Jan. 25–Feb. 18, 1954, see volume VII; for documentation on the Conference on Korea and Indochina held at Geneva, Apr. 26–July 21, 1954, see volume XVI.

[10] Paragraphs a–d constitute NSC Action No. 1290. (S/S–NSC (Miscellaneous) files, lot 66 D 95, "NSC Records of Action")

[11] NSC 5440 as revised was issued as NSC 5440/1, Dec. 28, 1954. A copy of NSC 5440/1, not printed, is in the S/S–NSC files, lot 63 D 351, NSC 5440 Series. At its 230th meeting, Jan. 5, 1955, the National Security Council amended and adopted NSC 5440/1. The amended report was issued as NSC 5501, "Basic National Security Policy", Jan. 6, 1955; and it was approved by President Eisenhower on Jan. 7. NSC 5501 and the pertinent portion of the memorandum of discussion at the 230th meeting of the NSC are scheduled for publication in a subsequent *Foreign Relations* volume.

Index for Parts 1 and 2 Appears at End of Part 2.